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SAN FRANCISCO  
BOARD OF SUPERVISORS  
ECONOMIC AND SOCIAL POLICY COMMITTEE

Three documents were usually produced for meetings of this Committee:

- (1) a Calendar constituted the "Agenda" for the meeting;
- (2) the Budget Analyst often did an analysis of Agenda items; and
- (3) actions taken at the meeting were indicated on the Calendar, and constituted the Action Calendar, or "Minutes" of the meeting.

Note that the Agendas and the Minutes are both captioned "Calendar". They differ in that the Minutes describe the action taken on each Calendar item.

This volume includes the available Minutes of this Committee's meetings. The Agenda is included only if the Minutes are missing.

The Budget Analyst memo, if any, precedes the Minutes of a meeting. If the Minutes are not available, the Budget Analyst memo follows the Agenda for the meeting.



20.22  
1  
4.92  
CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JANUARY 14, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

CLERK: MARY L. RED

DOCUMENTS DEPT.

JAN 10 1992

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REGULAR CALENDAR

1. File 27-90-2. Hearing to consider the compliance of the Human Rights Commission and the Airport with the Local Minority/Women Business Enterprise ordinance. (Supervisor Kennedy)  
(Continued from 7/9/91)

ACTION:

2. File 115-91-3. [Designating the Buena Vista North Historic District] Ordinance amending Article 10 of the City Planning Code, Part II Chapter II of the Municipal Code by adding Appendix J designating the Buena Vista North Historic District. (Department of City Planning)  
(Approved by City Planning Commission, Resolution No. 13002).  
(Categorically exempt from Environmental Impact Review).  
(Continued from 7/23/91)

(The Chair intends to entertain a motion from City Planning to continue this item to February 11, 1992).

ACTION:

3. File 107-89-15. Hearing to consider procedures and regulations concerning foster children, including placement of these children outside of San Francisco and the ramifications of Senate Bill 1177 regarding adoption of children. (Supervisor Kennedy)  
(Continued from 7/23/91)

ACTION:

4. File 178-90-1. Hearing to consider allegations by various security officers of discriminatory practices at the Fine Arts Museum. (Supervisor Kennedy)  
(Continued from 7/23/91)

ACTION:

D 0313

5. File 107-90-2. Hearing to consider the Department of Social Services' Fraud Early Detection Program. (Supervisor Kennedy)  
(Continued from 12/17/91)

ACTION:

6. File 247-91-1.1. [Black Male Awareness Program] Resolution amending the resolution which urged the Mayor to support an established Black Male Awareness Program, by further providing that the final outcome of the program is to establish an all Black male school. (Supervisor Kennedy)  
(Continued from 12/17/91)

ACTION:

7. File 174-91-5. [Task Force on Blue Collar Jobs] Resolution establishing a Task Force on Blue Collar Jobs and local employment opportunities to examine and report upon the crisis in employment opportunities facing San Francisco, particularly for residents under 25 years of age, and to submit a report of its findings and recommendations to the Board of Supervisors by February 1, 1992. (Supervisor Gonzalez)

(The Chair intends to entertain a motion to continue this item  
to call of the chair).

ACTION:

8. File 7-91-16. Hearing to consider the San Francisco Municipal Railway complaint process; specifically the Michael Mascari incident. (Supervisor Britt)

ACTION:

9. File 19-91-11. [Pacific Avenue - Permitted Parking] Resolution amending parking restrictions on Pacific Avenue, between Columbus Avenue and Stockton Street between the hours of 6:00 p.m. and 9:00 a.m. (Supervisor Maher)

ACTION:

10. File 47-91-16. Hearing to consider parking facilities for commercial and sport fisherman at Fisherman's Wharf. (Supervisor Ward)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CALIFORNIA 94102

IMPORTANT  
HEARING NOTICE

SF  
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14/92

ADDENDUM  
CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JANUARY 14, 1992 - 4:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

CLERK: MARY L. RED

SPECIAL ORDER 4:00 p.m.

11. File 97-91-58. [MBE/WBE Subcontracting Program] DRAFT ordinance amending the Administrative Code, Section 12D instituting a MBE/WBE Subcontracting Program for construction contracts. (Supervisor Kennedy)

ACTION:

DOCUMENTS DEPT.

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IMPORTANT  
HEARING NOTICE

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
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SAN FRANCISCO, CALIFORNIA 94102

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CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

January 10, 1992

**DOCUMENTS DEPT.**

**TO:** Economic and Social Policy Committee

**FROM:** Budget Analyst - Recommendations

**SUBJECT:** January 14, 1992 Economic and Social Policy Committee Meeting

JAN 13 1992  
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Item 1 - File 27-90-2

**Note:** This item was continued from the July 9, 1991, Economic and Social Policy Committee meeting.

1. This item is a hearing to consider the compliance of the Human Rights Commission and the Airport with the Local Minority/Women Business Enterprise Ordinance.

2. Section 12D.3 of the Minority/Women/Local Business Ordinance outlines the policy of the City as follows:

"It is the policy of the City to ensure full and equitable opportunities for Minority Business Enterprises, Women Business Enterprises and local businesses to participate as prime contractors in the provision of goods and services to the City. This program is intended to correct identified discriminatory practices inherent in the City's procurement process and in the award of prime contracts to MBE/WBEs and to develop their status and capability as prime contractors of the City."

3. Section 12D.4 of the Ordinance provides that MBE and WBE bid preferences of the Ordinance shall be afforded to economically disadvantaged minority and women-owned businesses subject to the following exemptions:

- a. When the Director of the Human Rights Commission finds, with the advice of the contract awarding authority, that needed goods or services are available only from a sole source which is not an MBE or



WBE, and the prospective contractor is not currently disqualified from doing business with the City, or from doing business with any governmental agency, based on a failure to comply with MBE/WBE; or contract compliance requirements.

- b. If the contract awarding authority certifies in writing to the Director that (a) pursuant to the Administrative Code Section 6.30, the contract is necessary to respond to an emergency which endangers the public health or safety, and (b) there is no time to apply the bid preference and no MBEs or WBEs capable of performing the emergency work are immediately available, provided that the contract awarding authority certification was made prior to the Controller's contract certification.

4. Section 12D.14(E) of the ordinance requires that if the Director of the Human Rights Commission finds, after investigation, that a City Department in the process of awarding a contract(s) has deliberately failed to comply with the provisions of the ordinance, a written Finding of Noncompliance, specifying the nature of the noncompliance, must be transmitted to the City Department, the Commission, the Mayor and the Board of Supervisors. Additionally, the Director of the Human Rights Commission must attempt to resolve any noncompliance through conference and conciliation. If such efforts fail to resolve the noncompliance, the Director of the Human Rights Commission must transmit a copy of the Finding of Noncompliance, along with a finding that conciliation was attempted and failed, to the Human Rights Commission. The Human Rights Commission must notify the City Department to take appropriate action to secure compliance.

5. Certain allegations regarding the Airport's compliance with the Minority/Women Business Enterprise (MBE/WBE) Ordinance and with the Human Rights Commission's enforcement of that Ordinance have been made by various contractors and by the Commission's Contract Compliance Officer who monitors the Airport's contracts.

6. The Controller's Audits Division, at the request of the Board of Supervisors, conducted a limited scope review of construction contracts administered during the period of 1984 through 1990 by the Airport's Facilities, Operations and Maintenance Division. That review sought to obtain specific information on the following issues:

- a. The process of awarding Contract No. 1952;
- b. A review as to whether Airport contracts advertised as federally funded were funded from the City's General Fund;
- c. Procedures used for awarding emergency contracts.

7. Based on that review, the Controller's Audits Division issued an audit report, dated May 4, 1990, entitled "Contracting Practices and Procedures at San



Francisco International Airport." The Report's conclusions regarding the specific issues cited above are as follows:

The process of awarding Contract No. 1952

Our review disclosed that the awarding of the Contract No. 1952 was based on the HRC approval.

A review as to whether Airport contracts advertised as federally funded were funded from the City's General Fund

Our tests did not identify any Airport contract advertised and awarded as federally funded which in fact was funded by the City's General Fund.

Procedures used for awarding emergency contracts

Our tests indicate that there are procedures in place at the Airport in connection with emergency contracts that provide for participation by minority firms. However, it would be beneficial to have all the procedures involved in the processing of emergency contracts consolidated into a comprehensive checklist against which controls can be better monitored. Further, our tests indicate that the contract files are generally complete and that contracts are adequately monitored by the Facilities, Operations and Maintenance Division.

8. Attachment 1 to this report is the "Annual Report On Good Faith Efforts" report from the Airports Commission to the Mayor's Office concerning MBE/WBE utilization for FY 1990-91. The Airports Commission reported MBE/WBE utilization on prime contracts of 28 percent and three percent, respectively, for FY 1990-91. Attachment 2 provides detailed subcontracting information for FY 1990-91 including each prime contractor, subcontractor, the ethnicity of the contractors, the type of work and the amount of each contract. The first page of Attachment 3 to this report is a summary of the Airport's MBE/WBE utilization report, as produced by the Human Rights Commission (HRC), for FY 1989-90, the most current HRC annual report. That report shows the Airport's MBE/WBE utilization for FY 1989-90 on prime contracts to be 39.6 percent and .6 percent, respectively. Pages two and three of Attachment 3 show more detailed MBE/WBE utilization information for the Airports Commission for FY 1989-90. Ms. Vicki Zimple of the Human Rights Commission has advised the Budget Analyst that the utilization figures for prime contracting utilization do not include amounts that represent the participation of MBE/WBE firms in joint ventures with majority-owned firms because City departments, in general, did not submit that information.

REPORT TO MAYOR ON MBE, WBE, LBE PERFORMANCE

DATE: August 3, 1991

## ANNUAL REPORT ON GOOD FAITH EFFORTS

DEPARTMENT/AGENCY FILING REPORT Airports Commission  
 NAME OF PERSON FILING REPORT Sandra Crumplar  
 TELEPHONE NUMBER 876-2215  
 FOR PERIOD COVERING July 1, 1990 TO June 30, 1991  
 (IDENTIFY QUARTER BY FISCAL YEAR)

1. TOTAL CONTRACT DOLLARS AWARDED BY  
DEPARTMENT, AGENCY, BOARD, COMMISSION \$ 38,162,065
  - a. CONTRACT DOLLARS AWARDED TO  
NON-PROFITS. \$ 0
  - b. CONTRACT DOLLARS AWARDED BASED ON (3 FAA eligible contracts)  
WAIVERS, EXCLUSIONS, SOLE-SOURCE  
EXCEPTIONS \$ 10,690,976

NET TOTAL (1. minus a & b) \$ 27,471,087
2. PRIME CONTRACT DOLLARS AWARDED TO ALL  
MINORITY-OWNED BUSINESSES (MBE) \$ 7,671,881

PERCENTAGE TO NET TOTAL 28 %

  - a. SAN FRANCISCO-BASED  
BUSINESSES \$ 7,270,263
  - b. NON-SAN FRANCISCO-BASED  
BUSINESSES \$ 401,618
3. PRIME CONTRACT DOLLARS AWARDED TO ALL  
WOMAN-OWNED BUSINESSES (WBE) \$ 684,756

PERCENTAGE TO NET TOTAL 3 %

  - a. SAN FRANCISCO-BASED  
BUSINESSES \$ 631,568
  - b. NON-SAN FRANCISCO-BASED  
BUSINESSES \$ 53,188
4. SUBCONTRACT DOLLARS AWARDED TO ALL  
MINORITY-OWNED BUSINESSES (MBE-SUBS) \$ 8,145,572
  - a. SAN FRANCISCO-BASED BUSINESSES \$ 2,736,615
  - b. NON-SAN FRANCISCO BASED BUSINESSES \$ 5,408,957
5. SUBCONTRACT DOLLARS AWARDED TO ALL  
WOMAN-OWNED BUSINESSES (WBE-SUBS) \$ 983,006
  - a. SAN FRANCISCO-BASED BUSINESSES 4 \$ 0
  - b. NON-SAN FRANCISCO-BASED BUSINESSES \$ 983,006

6. OTHER CONTRACT DOLLARS AWARDED TO MBEs, WBEs, LBEs, JOINT VENTURES, AND THOSE PURCHASES THAT ALLOWED DEPARTMENTAL DISCRETION IN THE SELECTION OF VENDORS (please explain).

\$ 4,515,006

One professional service contract was awarded to joint venture (JV) with an MBE engineering firm for \$465,000. Two (2) construction contracts with M/WBE JV partners were awarded: 1) a local MBE and local WBE for a runway project totaling approximately \$1.3 million; 2) JV with a local MBE for about \$2.2 million construction project. Contract modifications issued to two (2) JVs with M/WBE participation: 1) MBE financial firm for \$200,496; and 2) minority female legal firm for \$264,108 (both are five year contracts). Additionally, a JV for environmental testing project awarded to WBE JV partner for \$85,000.

7. DESCRIPTION OF EFFORTS TO LOCATE AND BRING INTO CONTRACTING SYSTEM CERTIFIED MBEs, WBEs, LBEs.

Bid announcements were mailed to certified M/WBEs listed in the HRC directory to encourage their participation in the bidding process, and to M/WBE business organizations and agencies, as well as to the local minority newspapers. M/WBEs were also contacted for subcontract opportunities. Project managers continue to encourage prime bidders to joint venture on larger contracts which has resulted in several joint venture awards with M/WBEs (refer to item 6).

8. DESCRIPTION OF EFFORTS TO USE MBEs, WBEs, LBEs IN DAY-TO-DAY SERVICES OF DEPARTMENT, AGENCY, BOARD, COMMISSION.

A large surveying project was divided into smaller projects to allow MBE participation which resulted in a contract award to a MBE firm. Engineering department hired a local minority business development agency to assist staff in identifying minority truckers and MBE contractors for subcontracting work. A WBE firm was selected to work with staff in preparing an annual report.

9. IDEAS FOR IMPROVING PERFORMACE AND WHAT ASSISTANCE YOUR DEPARTMENT NEEDS TO INVOLVE MORE MBEs, WBEs AND LBEs.

It would assist our department in involving more M/W/LBEs in contracts if 1) the rules and regulations remained constant instead of changing from year to year; 2) goals were general enough to allow staff to meet them. The goals by industry and ethnicity are very confusing and we never know if we have met our goals; 3) as soon as the Ordinance is effective, departments should have a copy in order to carry out the law in their contracts. It takes departments at least 15-30 days to revise specifications to address new language and requirements; and 4) the Rules and Regulations should be distributed as soon as possible.

**SUBCONTRACTING DATA  
SAN FRANCISCO INTERNATIONAL AIRPORT  
FISCAL YEAR 1990/91**

**1. Construction**

<u>Contract Number</u>	<u>Contractor (Primes &amp; Subs)</u>	<u>Ethnicity</u>	<u>Type of Work</u>	<u>Prime Contract Amount</u>	<u>MCC Status</u>	<u>Subcontract Amount</u>
1559DR	Ghilotti Bros Subs: Dominion Corp. Cannon Eng. Cal-State Patrol Pressure Grout Sandy's Environmental Anrak Cal Paving Fabrics Cal Paving Maintenance Riley's Shipping Dominion Corp	Black  Black     Black	Underground Eng. Electrical Eng. Security Grouting Hydroseeding Grinding Fabric Surface Coating Striping and Markers Electrical	\$4,175,385	Certified  Certified     Certified	\$1,183,799 173,600 20,776 256,250 3,600 110,992 33,214 16,367 45,125 1,220,000
1562	Esquivel Grading and Paving, Inc. Subs: A Quandt and Sons Anrak Corporation	Hispanic  Black	Striping Grinding	126,139	Certified	\$4,200 6,750
1697B	Pfister Excavating Subs: Marshall Robbins Pacific Borring		Supplier Supplies	396,320		22,660 54,000
1739A	Lera Electric Subs: Beard Corporation Elect. Locksmith		Electrical Electrical	3,259,442		760,220 121,000
1864	Ghilotti Subs: Anrak Community Electric B. Mitchell, Inc.	LBE	Grinding Electric Mechanical	298,892	Certified	16,704 24,895 82,000
1896A	Rosendin Electric Subs: Jezak Electric Company Del Secco O'Grady Paving Perma Green	Hispanic Black  Hispanic	Electrical Sawcutting Paving Hydroseeding	3,256,151	Registered Certified  Registered	710,000 25,000 562,000 18,000

Construction - Con't.  
Page 2

Contract Number	Contractor (Primes & Subs)	Ethnicity	Type of Work	Prime Contract Amount	HRC Status	Subcontract Amount
1953R	Stacy & Witbeck and Nationwide, Westbay(M/NBE-JV) Subs: Cupeist S.P. Grinding	White (WES) Hispanic	Striping Grinding	\$1,350,000	Certified Certified	\$ 81,000 50,000
1960A	Rosendin Electric Subs: Double L. Paving All Forms, Inc. Hot Line X-Calibur ETI	Hispanic	Paving Concrete Splicing Fencing Electrical	424,000	Registered	2,000 19,000 26,000 3,500 3,000
1985-R	Nibbe-Lowe Co. (NBE, JV) Subs: Allen Heating Midwest Steel Erection Portola Corp. Acoustics Volen Petersen Young Lawson	Black	Mechanical Struct. Iron Unstruct. Iron Drywall/Plaster Acoustical Cling. Fire Protection Plumbing Electrical Roofing	2,223,895	Certified	315,000 500,000 135,000 74,450 71,000 45,250 13,560 115,630 140,000
2147	Agbeyani Construction Subs: Creative Interiors APEX Plumbing Ezoepan Design		Design Plumbing Design	249,550		22,000 38,000 63,550
2160	KQ7 Subs: Cooper Brother Strom Electric		Mechanical Electrical	203,828		7,000 27,000



Construction - Con't.  
Page 3

Contract  
Number

Contractor (Primes & Subs)

Ethnicity

Type of Work

Prime  
Contract  
Amount

ISC Status

Subcontract  
Amount

2239	Fisk-Firenze McLean Subs: Cannon Engineers Qora Security Krystal Trucking Highway Supply Rues Enterprises Vicker's Concrete San Jose Concrete Pipe Pacific Surfacing Bobby Mack Dickers Company	LMZ	Elect. Engineer Security Hauling Pavement Striping Safety Equipment Asphalt Concrete Concrete Pipe Surface coating Plumbing Saw dust	460,140	Certified	49,186 4,600 6,775 22,790 7,500 494 2,519 15,500 28,000 500
2281	Brayer Electric Subs: Dreaser/Arsla Construction		Trenching&Excavation	\$ 73,732		\$ 50,715
2298	Aqibayand Subs: Capital Interiors Bob & Tom Windows	Asian	Carpet Supplies	127,600	Certified	23,000
2308	Echo West Subs: Kent Lim Tomie Electric	Asian Asian	Mechanical Electrical	24,640	Registered Certified	11,500 3,200
2335R	Sposito Industries, Inc./J.B. S Assoc. (JV) Subs: Arrow Cane		Material & Equipment (Roof)	38,449		3,000
2342	Ohlotti Subs: Cal-Stats Patrol	Black	Security	2,286,885	Certified	16,740
2347	Echo West Subs: Portola JS Painting Marquee	Asian	Plaster Painting Sprinkler	239,512	Registered	101,000 26,000 17,000

Construction - Con't.  
Page 4

Contract Number	Contractor (Prime & Subs)	Ethnicity	Type of Work	Prime Contract Amount	HRC Status	Subcontract Amount
2396	Wibbi Brothers, Inc. Subs: SS Studs		Met Removal	\$ 45,275		27,220
Total				\$18,928,407	Total	\$7,640,281
<b>IX. Professional Services</b>						
	AMPOO Parking					
	Subs: Cal-State Patrol	Black	Security	\$ 7,835,000	Certified	785,000
Total					Total	\$ 785,000
					Combined Total	\$8,304,281

**TOTAL AMOUNTS AWARDED TO SUBCONTRACTORS:**

Black	\$3,936,315 (52%)
Hispanic	562,000 (7%)
Asian	11,500
Total	\$4,509,815 (59%)

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DEPARTMENT MBE/WBE PARTICIPATION  
FROM 8013 TO 8912  
BASIS: 734,362,189

Page 1 of 3

Page 1 of 3

	MBE	CERTIFIED	WBE	MBE	REGISTERED	WBE	MBE	COMBINED	WBE	TOTAL NON MBE/WBE	TOTAL AWARDS	TOTAL LBE
25 - MAYOR												
	0	0	0	0	0	0	0	0	0	2,340	2,340	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
26 - COMMISSION ON AGING												
	12,220	14,777	14,038	998	26,258	15,775	1,620,385	1,661,720	65,269	97.5%	100.0%	3.9%
	.7%	.9%	.8%	.1%	1.6%	.9%	97.5%	100.0%	3.9%			
	0	295	72,882	277	72,882	572	62,661	135,838	32,698	46.1%	100.0%	24.1%
	0.0%	.2%	53.7%	.2%	53.7%	.4%						
27 - AIRPORT												
	1,581,826	166,852	17,953,870	115,224	19,535,696	282,075	29,628,980	49,391,240	11,198,961	60.0%	100.0%	22.7%
	3.2%	.3%	36.4%	.2%	39.6%	.6%						
28 - ART COMMISSION												
	7,101	0	0	0	7,101	0	186,588	193,689	19,314	96.3%	100.0%	10.0%
	3.7%	0.0%	0.0%	0.0%	3.7%	0.0%						
29 - CITY PLANNING												
	0	483	11,423	6,133	11,423	6,615	359,937	371,843	273,687	96.8%	100.0%	73.6%
	0.0%	.1%	3.1%	1.6%	3.1%	1.8%						
30 - CIVIL SERVICE												
	5,000	2,245	0	0	5,000	2,245	478,430	485,675	238,947	98.5%	100.0%	49.2%
	1.0%	.5%	0.0%	0.0%	1.0%	.5%						
31 - FIRE DEPARTMENT												
	129,331	49,295	214,125	22,799	363,456	72,094	1,883,347	2,247,707	584,293	83.8%	100.0%	26.0%
	5.8%	2.2%	9.5%	1.0%	15.3%	3.2%						
32 - HATCH HATCH PROJECT												
	204,606	45,520	5,500	74,009	210,106	119,529	23,124,361	23,413,981	766,638	98.8%	100.0%	3.3%
	.9%	.2%	.0%	.3%	.9%	.5%						
33 - HEALTH SERVICE SYSTEM												
	0	65,742	239	239	239	65,981	317,117	383,098	210,585	82.0%	100.0%	55.0%
	0.0%	17.2%	.1%	.1%	.1%	17.2%						
34 - HUMAN RIGHTS COMMISSION												
	0	0	0	0	0	0	51,983	51,983	2,898	100.0%	100.0%	5.6%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%						
35 - MUNICIPAL RAILWAY												
	925,251	275,978	4,474,158	303,608	5,399,499	579,586	42,555,885	48,443,129	13,279,031	87.8%	100.0%	27.4%
	1.9%	.6%	9.2%	.6%	11.1%	1.2%						
36 - PARKING & TRAFFIC COMMISSION												



1/31/91 1:04 PM

DEPARTMENT MBE/MBE PARTICIPATION BY LEVEL  
FROM 8813 TO 8912  
BASIS: 734,362,189

*EX clusion of Non - Profits & unions*

REP 043 Page 5

Page 2 of 3

023 - MAYOR

MBE	CERTIFIED	MBE	REGISTERED	MBE	COMBINED	MBE	TOTAL	TOTAL	TOTAL
							NON MBE/MBE	AWARDS	LBE

PROF SVCS - MED

0	0	0	0	0	0	0	0	0	0
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	0.0X

PROF SVCS - MIS

0	0	0	0	0	0	0	384,752	384,752	0
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	100.0X	100.0X	0.0X

26 - COMMISSION ON AGING

EQUIPMENT & SUP

0	295	382	277	382	572	46,004	46,651	23,298	49.7X
0.0X	.6X	.8X	.6X	.8X	1.2X	98.5X	100.0X	100.0X	9.400

GENERAL SVCS

0	0	0	0	0	0	16,657	16,657	56.4X	0
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	100.0X	100.0X	100.0X	0.0X

PROF SVCS - ACC

0	0	72,500	0	72,500	0	0	72,500	0	0.0X
0.0X	0.0X	100.0X	0.0X	100.0X	0.0X	0.0X	100.0X	100.0X	0.0X

27 - AIRPORT

CONSTR/FAC MNTC

1,420,194	8,636	17,619,559	9,188	19,039,753	17,824	16,381,817	35,421,569	8,237,825	23.3X
4.0X	.0X	49.7X	.0X	53.8X	.1X	46.2X	100.0X	100.0X	1,329,636

EQUIPMENT & SUP

88,527	142,904	89,813	87,204	178,340	230,107	5,570,266	5,946,358	1,329,636	22.4X
1.5X	2.4X	1.5X	1.5X	3.0X	3.9X	93.7X	100.0X	100.0X	96.8X

FUELS, LUB & IL

0	0	0	0	0	0	327,100	327,100	316,600	96.8X
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	100.0X	100.0X	100.0X	12.0X

GENERAL SVCS

73,105	15,312	50,667	13,500	123,771	28,812	5,721,429	5,874,012	752,600	11,500
1.2X	.3X	.9X	.2X	2.1X	.5X	97.4X	100.0X	100.0X	19.3X

PROF SVCS - ACC

0	0	11,500	0	11,500	0	48,000	59,500	11,500	19.3X
0.0X	0.0X	19.3X	0.0X	19.3X	0.0X	80.7X	100.0X	100.0X	50.0X

PROF SVCS - ARC

0	0	161,000	0	161,000	0	63,512	224,512	179,700	80.0X
0.0X	0.0X	71.7X	0.0X	71.7X	0.0X	28.3X	100.0X	100.0X	16.4X

PROF SVCS - COM

0	0	16,000	0	16,000	0	111,722	127,722	20,900	0
0.0X	0.0X	12.5X	0.0X	12.5X	0.0X	87.5X	100.0X	100.0X	0.0X

PROF SVCS - FIN

0	0	0	0	0	0	203,300	203,300	0	0.0X
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	100.0X	100.0X	100.0X	0.0X

PROF SVCS - LEG

0	0	0	0	0	0	149,250	149,250	0	0.0X
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	100.0X	100.0X	100.0X	0.0X

PROF SVCS - MED

0	0	0	0	0	0	48,600	48,600	0	0
0.0X	0.0X	0.0X	0.0X	0.0X	0.0X	100.0X	100.0X	100.0X	0.0X

1/31/91 11:04 pm

DEPARTMENT MBE/AWE PARTICIPATION BY LEVEL  
FROM 8013 TO 8912  
BASIS: 734,362,189

RPT 843 Page 6

27 - AIRPORT

MBE	CERTIFIED	MBE	REGISTERED	MBE	COMBINED	MBE	TOTAL MOM MBE/AWE	TOTAL AWARDS	TOTAL LBE
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PROF SVCS - MIS	0	0	5,332	5,332	5,332	5,332	1,003,994	1,009,316	350,000
	0.0%	0.0%	.5%	.5%	.5%	.5%	99.5%	100.0%	34.7%

20 - ART COMMISSION

CONSTR/FAC MNTC	0	0	0	0	0	0	2,945	2,945	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
EQUIPMENT & SUP	0	0	0	0	0	0	16,875	16,875	3,566
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	21.1%
GENERAL SVCS	7,101	0	0	0	7,101	0	101,501	108,602	15,748
	6.5%	0.0%	0.0%	0.0%	6.5%	0.0%	93.5%	100.0%	14.5%
PROF SVCS - MIS	0	0	0	0	0	0	65,267	65,267	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%

29 - CITY PLANNING

EQUIPMENT & SUP	0	483	6,133	6,133	6,133	6,615	134,130	140,745	84,201
	0.0%	.3%	4.4%	4.4%	4.4%	4.7%	95.3%	100.0%	59.8%
GENERAL SVCS	0	0	5,291	0	5,291	0	61,710	67,001	29,916
	0.0%	0.0%	7.9%	0.0%	7.9%	0.0%	92.1%	100.0%	44.7%
PROF SVCS - ARC	0	0	0	0	0	0	160,482	160,482	159,570
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	99.4%
PROF SVCS - COM	0	0	0	0	0	0	3,615	3,615	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%

30 - CIVIL SERVICE

EQUIPMENT & SUP	0	2,245	0	0	0	2,245	212,284	214,529	189,758
	0.0%	1.0%	0.0%	0.0%	0.0%	1.0%	99.0%	100.0%	88.5%
GENERAL SVCS	5,000	0	0	0	5,000	0	86,536	91,536	49,189
	5.5%	0.0%	0.0%	0.0%	5.5%	0.0%	94.5%	100.0%	53.7%
PROF SVCS - MGM	0	0	0	0	0	0	21,850	21,850	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
PROF SVCS - MIS	0	0	0	0	0	0	157,760	157,760	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%

31 - FIRE DEPARTMENT

Item 3 - File 107-89-15

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of July 23, 1991.

This item is a hearing to consider the procedures and regulations concerning foster children, including the placement of foster children outside of San Francisco County, and to consider the effects of Senate Bill No. 1177 on the adoption of children.

The Department of Social Services (DSS) reports that it is DSS's policy to place children in homes as close to their own families as possible. However, DSS advises that San Francisco's foster children are placed outside of the County for various reasons as follows:

- (1) Placing a child in the most appropriate foster home, based on the child's individual needs, sometimes necessitates placing children outside of San Francisco.
- (2) Many of the African American foster families who originally lived in San Francisco have moved out of the City. In such cases, it is often times determined to be in the child's best interests to move with the foster family.
- (3) DSS uses African American home finding agencies which serve the entire Bay Area and many of their approved homes are located in other Counties.
- (4) The number of families that could potentially provide foster care in San Francisco is limited due to the high cost of housing in the City which makes it difficult for families to afford the type of housing required to provide foster care. The type of housing required is regulated by State licensing rules which stipulate that certain housing requirements be met. These requirements include but are not limited to restrictions on bedroom size, number of children who can sleep in a bedroom, number of exits, fire/security bars, and which floor that the children can sleep on.
- (5) Placing a child with relatives, which DSS considers a priority, sometimes requires placing the child outside of San Francisco. According to DSS, of the 2,855 children currently enrolled in the Foster Care Program, 78% reside with relatives, either inside or outside of San Francisco, the remaining 22% are outside the County with non-relatives.

Senate Bill 1177, which was originally authored by Senator Royce, established conditions under which foster parents must be given consideration, along with other potential adoptive families, to become the adoptive parents of a foster child. The bill was drafted in response to a specific case involving a foster

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**BUDGET ANALYST**

family that cared for a child with Down's Syndrome for 1 1/2 years. Children's Home Society (CHS), the agency in charge of the adoption proceedings, did not consider that foster family when it sought a permanent placement for the child. As a result, the foster family sued CHS.

DSS reports that a "corrected" version of SB 1177 was drafted to be known as Senate Bill 2188 (SB 1177 was withdrawn by the author in favor of the new, "corrected" version, SB 2188). The new SB 2188 specified that it does not pertain to dependent children of juvenile court cases, and since DSS handles only such dependent children of juvenile court cases, SB 2188 (which replaces SB 1177) did not apply to DSS. DSS reports that Senator Royce's staff advised DSS that Senator Royce believes current laws governing public adoption agency activities already sufficiently address the issue of foster parent adoption. SB 2188 was signed into law in 1990.

### Comments

1. The total number of children that are in out-of-home placements within San Francisco and outside of San Francisco, as of mid-June 1991, as provided by DSS, is as follows:

#### Placements Within San Francisco County

<u>Ethnicity</u>	<u>Foster Home and Group Home</u>	<u>Legal Guardian Relative</u>	<u>Legal Guardian Non-Relative</u>	<u>Relative</u>	<u>Total</u>
White	66	2	15	34	117
Hispanic	38	19	17	82	156
Black	261	93	103	769	1,226
Asian	23	1	11	18	53
Indian	6	0	2	1	9
Filipino	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>6</u>
Total	394	117	150	906	1,567

#### Placements Outside San Francisco County

<u>Ethnicity</u>	<u>Foster Home and Group Home</u>	<u>Legal Guardian Relative</u>	<u>Legal Guardian Non-Relative</u>	<u>Relative</u>	<u>Total</u>
White	101	6	4	76	187
Hispanic	71	4	6	46	127
Black	449	25	22	358	854
Asian	23	1	2	9	35
Indian	19	0	1	8	28
Filipino	<u>11</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>14</u>
Total	674	37	36	498	1,245

**BOARD OF SUPERVISORS**  
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2. The DSS also reports that it has made, and is continuing to make certain efforts to recruit more African American foster and adoptive families in San Francisco, as follows:

- (a) Effective November 27, 1989, DSS reassigned recruitment responsibilities to a new Assistant Director, with foster children knowledge and experience in recruiting, training, certifying and supervising prospective foster and adoptive families. A \$400,000 Foster Care Reserve Fund was also established during 1990-91. DSS had proposed to develop a comprehensive recruitment plan for use of these reserve funds to increase the number of quality, culturally relevant foster homes in San Francisco and to increase the number of homes available for children freed for adoption. Ms. Ann O'Reilly of DSS advises that the \$400,000 subsequently reverted to the General Fund as a result of the City's projected budget shortfall and, as such, was not made available to the Department for the development of a recruitment plan.
- (b) DSS budgeted \$60,000 in its 1990-91 budget to be used by the Assistant Director for recruitment purposes. Of the \$60,000, \$35,000 was used for contract services to aid in the recruitment of African American foster and adoptive families (see 2(c) below). Of the remaining \$25,000, approximately \$10,000 was used to fund a Black Adoption Fair, held on May 4, 1991 and approximately \$15,000 was used for the development of recruitment materials targeted towards cultural and ethnic groups. DSS reports that the Fair, which was held at the Recreation Center for the Handicapped in San Francisco, was attended by staff from 15 counties and approximately 300 families. A total of 63 African American children from San Francisco who were available for adoption were in attendance. Of the 300 families in attendance at the Fair, 58 families indicated an interest in pursuing adoption of a San Francisco child. DSS is in the process of doing follow-up with these families. Ms. O'Reilly reports that the DSS budgeted \$105,000 in 1991-92 for foster care recruitment. Of the \$105,000, the DSS has thus far designated \$71,062 to be expended as follows: media advertising recruitment materials (\$16,540), contracting services for a Marketing Consultant and the development of a video (\$14,200), adoption home studies (\$1,000), Foster Parent training (\$5,472), Foster Parent Recognition Event (\$3,500), Photographs of Foster children used for targeted recruitment (\$8,000), community event fees (\$750), advertising display equipment (\$4,100), home modifications; to help homes meet licensing requirements (\$16,500), finders fees for Foster Parents who recruit other persons to participate in the program (\$1,000).

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- (c) DSS issued a RFP, on June 15, 1990, to contract with a community-based agency with demonstrable expertise in recruiting African American foster and adoptive families. DSS reports that, as a result of the RFP process, Naomi Gray and Associates and Calvin Jones Jr. and Associates were selected to provide recruitment services. Both contracts were for a six-month period ending December 31, 1990. The contract with Naomi Gray and Associates was in the amount of \$21,000 and the contract with Calvin Jones Jr. and Associates is in the amount of \$14,000. Naomi Gray and Associates is a MBE/WBE firm and Calvin Jones Jr. and Associates is a MBE firm. DSS advises that, under these two contracts, the goal was to recruit 500 African American foster parents by December 31, 1990. 300 of the total 500 foster parents were to be recruited by Naomi Gray and Associates and the remaining 200 were to be recruited by Calvin Jones Jr. and Associates. According to DSS, the actual number of African American foster parents recruited under these two contracts was approximately 75 to 80.
- (d) DSS continues to use the services of private placement agencies such as the Black Adoption Placement and Research Center. In addition, DSS has identified organizations such as churches, ministerial alliances, and Black employee groups which have access to potential African American foster and adoptive families.
- (e) DSS's recruitment staff participate in public events, the Annual Adoption Fair, street fairs, and community outreach activities at shopping malls and other public gatherings.

3. Foster care rates are set by the State. DSS advises that, based on a U.S. Supreme Court ruling, relatives are paid the same rate, to provide foster care, as are foster parents who are not relatives, providing that the child is eligible for Federal foster care funding. However under State law, relatives who provide foster care to children, who are eligible for County and/or State foster care funding only, cannot receive foster care funding for their services. However, these relatives would be eligible for AFDC. DSS reports that although a State bill to change this law was defeated last year, the Department is continuing to work with the State Legislature to get the law changed to provide that all relatives providing foster care would be eligible to receive the established foster care rate. The current foster care rates for long term placement are outlined below:

Memo to Economic and Social Policy Committee  
January 14, 1992 Economic and Social Policy Committee Meeting

<u>Age of Foster Care Children</u>	<u>Monthly Base Rate</u>	<u>Monthly Rates At</u>		
		<u>Level I*</u>	<u>Level II*</u>	<u>Level III*</u>
0-4	\$345	\$694	\$835	\$977
5-8	375	494	588	683
9-11	400	529	624	717
12-14	444	588	683	776
15-18	484	641	741	834

\*The level of payment above the base rate is determined by the specific foster child's special needs, as related to emotional, social, developmental or medical problems.

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Item 5 - File 107-90-2

**Note:** This item was continued from the Economic and Social Policy Committee Meeting of December 17, 1991.

The Budget Analyst has prepared and transmitted a report, dated September 18, 1991, on the cost effectiveness of the "Front-end" early fraud detection (FRED) Program. For specific details, refer to the September 18, 1991 Budget Analyst report on the cost effectiveness of the FRED Program.

**Department:** Department of Social Services (DSS)

**Item:** Hearing on the Department of Social Services' "Front-end" Early Fraud Detection (FRED) Program.

**Description:** In March of 1990, DSS began operating a "Front-end" early fraud detection program, known as FRED, for the Aid to Families with Dependent Children (AFDC), Food Stamps, and General Assistance Programs. According to DSS, San Francisco is the 24th county in California to develop a FRED Program. The objectives of the FRED Program are to:

- 1) Prevent ineligible persons from receiving aid for which they have applied;
- 2) Reduce the number of referrals for prosecution of welfare fraud;
- 3) Attempt to find, for ineligible persons, alternative sources of aid for which they are eligible.

The FRED Program attempts to verify information given in client applications, which are used to determine the eligibility of the client. FRED investigators do not review all applications; rather, eligibility workers for the AFDC, Food Stamps, and General Assistance Programs refer selected applications to the FRED Program for verification. DSS investigators for the FRED Program verify application information through home visits, client interviews, authorized third party contacts, and other resources. After the investigator verifies the application information, the investigator recommends that the client either receive aid, be denied aid, or be referred to another aid program for which the client may be eligible.

The FRED Program is staffed with one Supervisor, eight Eligibility Workers, one Social Worker, and one Clerk.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

For the period July 1, 1990 through June 30, 1991, the FRED Program has handled an estimated 1,994 case referrals. Of the total of 1,994 referrals, FRED Program staff found 987 cases to be ineligible and recommended that aid be denied or discontinued for these 987 cases.

- Comments:**
1. The Budget Analyst, in the report on the cost effectiveness of the FRED Program, estimates that, for the period July 1, 1990 through June 30, 1991, the FRED Program, prior to DSS expenses, saved a total of \$1,640,914 or about \$823 per referral of the total of 1,994 referrals. Taking into account the costs of the FRED Program, the net savings for FY 1990-91 is estimated to be \$1,189,085.
  2. Of the total net savings of \$1,189,085 for FY 1990-91, approximately \$537,072 (45.2 percent) would accrue to the Federal Government; \$535,881 (45.0 percent) would accrue to the State; and \$116,132 (9.8 percent) would accrue to the County General Fund. The reason why most of the savings accrue to the Federal and State governments is because the AFDC program is 95 percent funded by the Federal and State governments. The City pays for the remaining five percent of the cost of the AFDC program. The Food Stamps program is fully funded by the Federal government. Therefore, the Federal and State governments receive most of the savings benefit from the FRED Program.
  3. For FY 1991-92, the Budget Analyst projects that the FRED Program will yield a total net savings of \$1,684,385, of which approximately \$710,379 (42.2 percent) is savings to the Federal Government; \$673,219 (40 percent) is savings to the State; and \$300,787 (17.9 percent) is savings to the County General Fund.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 6 - File 247-91-1.1

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of December 17, 1991.

1. The proposed resolution would amend a resolution, previously approved by the Board of Supervisors which urged the Mayor to support an established Black Male Awareness Program, by further providing that the final outcome of the Program is to establish an all Black Male School.

2. The Board of Supervisors previously approved Resolution No. 874-91 which urged the Mayor to support an established Black Male Awareness Program. The proposed legislation would further provide that the final outcome of the Black Male Awareness Program is to establish an all Black Male School. The concept of the school is to (1) develop self-pride and esteem within the youth, (2) teach historical background of the African people, along with English, Math, Social Studies (Civics) and the pure sciences and (3) teach the day to day methodology for dealing with the governmental systems (i.e., City, State and Federal).

**Comments**

1. The Black Male Awareness Program is currently operated by the San Francisco Office of the Bay Area Urban League. The Bay Area Urban League is proposing that the Program be expanded to include an all Black Male School. Mr. George Mix, Director of the San Francisco Office of the Bay Area Urban League, reports that the School would accommodate approximately 150 students annually. Referrals to the School would come from San Francisco high schools and middle schools, as well as community agencies. Elementary schools would not be used as a referral source. Classes would be held after school and on weekends.

2. Mr. Mix projects that the annual cost to operate the School would be approximately \$300,000 to \$400,000 annually. According to Mr. Mix, the Bay Area Urban League plans to seek \$150,000 to \$200,000, of the \$300,000 to \$400,000 needed to annually support the School, from the City. The agency would solicit the remaining \$150,000 to \$200,000 from private foundations (i.e., Kaiser) and corporations. While the proposed legislation would not specifically commit the City to allocate funds for the School, the agency's plan to seek funding from the City to support the School, represents a potential fiscal impact on the City.

3. Mr. Mix advises that the Black Male Awareness Program will be temporarily housed at 3rd and Revere Streets (Old Wells Fargo Building) until such time as the agency can identify a permanent site for the Program.

4. As noted above, the agency plans to seek funding in the amount of \$150,000 to \$200,000 from the City. Therefore, the Budget Analyst has determined that the proposed legislation would have a potential fiscal impact on the City.

**Recommendation**

Approval of the proposed legislation is a policy matter for the Board of Supervisors.

Item 10 - File 47-91-16

1. The proposed item is a hearing to consider parking facilities for commercial and sport fishermen at Fisherman's Wharf.

2. Ms. Veronica Sanchez of the Port reports that the Port has not, as yet, formulated any specific recommendations or proposals regarding the request for parking facilities for commercial and sport fishermen at Fisherman's Wharf. Ms. Sanchez advises that the Port is scheduled to meet (a) with the Fisherman's Wharf Port Tenants Association's Board of Governors on January 14, 1992 and (b) with representative fishermen and Department of Parking and Traffic staff on January 16, 1992, to discuss this parking issue. Ms. Sanchez therefore reports that the Port has requested that the proposed hearing be continued to the Economic and Social Policy Committee meeting on January 28, 1992.





Item 11 - File 97-91-58

1. The proposed draft ordinance would amend Chapter 12D of the Administrative Code to institute a MBE/WBE subcontracting program for construction contracts.

2. The proposed draft ordinance would amend Chapter 12D as follows:

1) Section 12D.4 would be amended to add definitions for the following:

- a) Annual participation goals - provide targeted levels of City-wide MBE/WBE participation in City prime construction contracts that reflect the relevant share of MBE/WBEs in a given industry or profession.
- b) Back contracting - any agreement or other arrangement between a prime contractor and its subcontractor wherein the prime contractor performs or secures the performance of the subcontract in such a manner that the prime contractor enjoys the financial benefits of the subcontracts (i.e., a situation wherein the subcontractor does not actually perform the subcontract and instead the subcontract is performed by or is the responsibility of the prime contractor).
- c) Construction contract - any agreement made by the City for the construction, repair, rehabilitation, alteration, conversion or extension of buildings, parks, streets or other improvements to real property. Such an agreement would not include consultant agreements to perform architectural and engineering services for the City.
- d) Lower tier subcontracting - any agreement or arrangement between a subcontractor and a person as defined in this ordinance (i.e., one or more individuals, partnerships, associations, corporations), where it is agreed that said person must perform any term, condition or obligation imposed by the contract upon the subcontractor.
- e) Participation commitment - that proportion of each contract that the prime contractor has designated in its bid or proposal for MBE/WBE subcontractor participation.
- f) Participation goals - that proportion of each contract which is designated by the Director of the Human Rights Commission (HRC) for MBE/WBE subcontractor participation.
- g) Subcontractor - any business providing goods or services to a contractor for profit, if such goods or services are procured or

used in fulfillment of the contractor's obligations arising from a contract with the City.

2) Section 12D.8(E) would be amended to provide that for all construction contracts, department or contract awarding authorities must submit written recommendations to the Director of the Human Rights Commission (HRC) regarding the levels of MBE and WBE participation goals to be set for the subject contract prior to soliciting bids or proposals. Additionally, Section 12D.8(E) would be amended to provide that prior to entering into any contract, the City department or the contract awarding authority must (1) make affirmative efforts to maximize the participation of MBE/WBE subcontracting (2) arrange contracts by size and type of work so as to maximize MBE/WBE contractor participation, (3) require bidders on prime contracts to notify all MBE/WBEs who are listed as subcontractors in their bid. Finally, Section 12D.8(E) would provide (1) that bidders, contractors and subcontractors on all contracts must be required to maintain relevant records and information necessary to document compliance with this ordinance, (2) during the term of the contract, the prime contractor must fulfill the MBE/WBE participation commitments submitted with their bid or proposal, (3) a provision for legal redress to MBE/WBE subcontractors for a prime contractor's non-compliance with requirements in this ordinance, including an agreement to pay damages to MBE/WBE subcontractors which were underutilized (4) whenever contract supplements, amendments or change orders increase the total dollar value of a contract by more than 10 percent of the original dollar amount of the contract, the MBE/WBE provisions of this ordinance which applied to the original contract would also apply to the supplements, amendments or change orders and must be complied with by the Contractor and (5) all contracts where subcontracting is utilized must prohibit back contracting to the prime contractor or lower tier subcontracting for any purpose inconsistent with the provision of this ordinance, rules and regulations adopted pursuant to this ordinance, or contract provisions pertaining to MBE/WBE utilization.

3) Section 12D. Subcontract Participation Goals for Construction Contracts, would be added to provide that construction contracts must be awarded and administered in accordance with the following standards:

- a) The Director of HRC must set MBE/WBE participation goals for each contract based on the following factors:
  - 1) the extent of subcontracting opportunities presented by the contract,
  - 2) the availability of MBE/WBEs which are capable of providing such subcontracting work,
  - 3) the degree to which such MBE/WBE goals will contribute to increasing participation of MBE/WBEs on such contract.



- b) Bid conditions and requests for proposals must require prospective bidders to demonstrate in their bids and proposals that they have used every good faith effort to obtain MBE/WBE subcontractors. Prospective bidders must also include in their response MBE/WBE participation in a percentage which equals or exceeds the participation goals determined for the subject contract by the Director of HRC.
  - c) Bids and proposals must identify the specific MBE/WBE subcontractors to be utilized under the contract and specify the dollar amount of the subcontract and the type of work to be performed, along with any other information which may reasonably be required to determine the responsiveness of the bid or proposal.
  - d) During the term of the contract, any failure to comply with the percentage of the MBE/WBE participation required for the bid or proposal will be deemed a material breach of contract.
- 4) Section 12D.13 would be amended to provide the following:
- a) A City department or contract awarding authority may request the Director of HRC to waive or reduce MBE/WBE participation goals prior to the solicitation of bids or proposals. Such a request must be in writing.
  - b) A bidder or contractor may request the Director of HRC to waive or reduce the amount of MBE/WBE participation goals for the subject construction contract by submitting the reasons, in writing, to the Director of HRC at the time of its bid or proposal.
  - c) The Director may grant the request for waiver or reduction of MBE/WBE subcontractor participation based on the following determinations: (1) the necessary requirements of the construction contract are such that the use of subcontractors has been determined to be not feasible, (2) qualified MBE/WBEs capable of providing the goods and services required by the contract are unavailable, despite good faith efforts on the part of the City department and the prime contractor to obtain such MBE/WBE firms, and (3) available MBE/WBEs have given price quotes to the prime contractor which are unreasonably high, in that they exceed competitive levels beyond amounts which can be attributed to cover costs inflated by the present effects of discrimination.
  - d) If the Director of HRC denies a contractor's request to waive or reduce subcontractor participation goals, the contractor may appeal that denial to the Human Rights Commission whose decision on the request would be final.

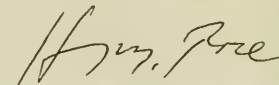
Comments

1. As of the writing of this report, the City Attorney's Office had not finalized the proposed draft ordinance and had not approved this ordinance as to form.

2. Mr. Edwin Lee of the HRC reports that the HRC's Management Information Systems Unit has prepared a statistical report, in order to establish a basis for a MBE/WBE subcontracting program. This report is based on the total dollars spent on construction contracts by the City and shows the percentage of amounts which went to MBE/WBE firms and non-MBE/WBE firms. Mr. Lee plans to present a detailed report on this statistical information at the Economic and Social Policy Committee meeting on January 14, 1992.

Recommendation

Approval of a final ordinance, prepared by the City Attorney, to amend Chapter 12D of the Administrative Code to institute a MBE/WBE subcontracting program is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Migden  
Supervisor Alioto  
President Ward  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Shelley  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Adelle Foley  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

0.22  
3/92  
CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JANUARY 28, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

CLERK: MARY L. RED

DOCUMENTS DEPT.

JAN 24 1992

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REGULAR CALENDAR

1. File 161-91-2. Hearing to consider the leasing of business space in the Fillmore Center. (Supervisor Kennedy) (Continued from 9/24/91)

ACTION:

2. File 121-91-6. [Tour Bus Restriction] Ordinance amending Police Code, by adding Section 1183.20, regarding tour bus restrictions on 26th Avenue, between Geary Boulevard and California Street. (Department of Parking & Traffic)  
(Continued from 12/17/91)

ACTION:

3. File 107-89-15. Hearing to consider procedures and regulations concerning foster children, including placement of these children outside of San Francisco and the ramifications of Senate Bill 1177 regarding adoption of children. (Supervisor Kennedy) (Continued from 1/14/92)

ACTION:

4. File 172-92-1 [Highway Maintenance] Resolution approving Amendment No. 1 to the agreement for maintenance of State Highways in the City and County of San Francisco, authorizing the Mayor and the Clerk of the Board to sign Amendment No. 1 to said agreement. (Department of Public Works)

ACTION

5. File 7-91-9. Hearing to consider extending the Taylor Street cable car line by one, two, or three blocks towards Fisherman's Wharf. (Supervisor Alioto)  
(The Chair intends to entertain a motion to continue this item to the call of the chair.)

ACTION:

6. File 127-91-14. Hearing to consider legislation that would impose a business tax or fee imposing a \$1,000 tax or fee upon grocery and liquor stores selling fortified wines or malt alcoholic beverages. (Supervisor Gonzalez)

ACTION:

**IMPORTANT  
HEARING NOTICE**

SF Public Library (2)  
Document Section

D 0313

**ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CALIFORNIA 94102**

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8/92  
CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

January 27, 1992

DOCUMENTS DEPT.

TO: Economic and Social Policy Committee

FROM: Budget Analyst *Recommendation*

SUBJECT: January 28, 1992 Economic and Social Policy Committee Meeting

JAN 28 1992

SAN FRANCISCO  
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Item 1 - File 161-91-2

**Note:** This item was continued from the September 24, 1991, Economic and Social Policy Committee meeting.

1. This item is a hearing to consider the leasing of business space in the Fillmore Center.

2. The Fillmore Center is a San Francisco Redevelopment Agency (SFRA) retail/residential development located on Fillmore Street between Geary Boulevard and Turk Street. The project, which opened in the Summer of 1989, has 1,113 rental units and approximately 73,000 square feet of retail space. This SFRA project cost approximately \$200,000,000 and was financed by private funds and mortgage revenue bond proceeds issued by SFRA. Under State law, SFRA is permitted to issue such bonds, with the authorization of the Board of Supervisors.

3. Mr. Robert Davis, Vice-President of the Fillmore Center, reports that approximately 20,000 square feet of the Center's retail space is currently leased, leaving approximately 53,000 square feet still available for lease. Of the 53,000 square feet still available, Mr. Davis advises that the Center is committed to lease 7,000 to 10,000 square feet to KMTV, a Minority-owned television station. The 20,000 square feet of space is currently being leased to nine separate tenants. The ethnic breakdown for these tenants, is as follows: six - African-American, one - Hispanic, one - White and one - East Indian. Mr. Davis advises that the Center has an affirmative action marketing plan which reflects goals set by the Redevelopment Agency. These goals give preference to persons and businesses which were displaced or relocated as a result of land in the immediate vicinity of the Center being acquired by eminent domain for redevelopment purposes.





Item 3 - File 107-89-15

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of January 14, 1992.

This item is a hearing to consider the procedures and regulations concerning foster children, including the placement of foster children outside of San Francisco County, and to consider the effects of Senate Bill No. 1177 on the adoption of children.

The Department of Social Services (DSS) reports that it is DSS's policy to place children in homes as close to their own families as possible. However, DSS advises that San Francisco's foster children are placed outside of the County for various reasons as follows:

- (1) Placing a child in the most appropriate foster home, based on the child's individual needs, sometimes necessitates placing children outside of San Francisco.
- (2) Many of the African American foster families who originally lived in San Francisco have moved out of the City. In such cases, it is often times determined to be in the child's best interests to move with the foster family.
- (3) DSS uses African American home finding agencies which serve the entire Bay Area and many of their approved homes are located in other Counties.
- (4) The number of families that could potentially provide foster care in San Francisco is limited due to the high cost of housing in the City which makes it difficult for families to afford the type of housing required to provide foster care. The type of housing required is regulated by State licensing rules which stipulate that certain housing requirements be met. These requirements include but are not limited to restrictions on bedroom size, number of children who can sleep in a bedroom, number of exits, fire/security bars, and which floor that the children can sleep on.
- (5) Placing a child with relatives, which DSS considers a priority, sometimes requires placing the child outside of San Francisco. According to DSS, of the 2,855 children currently placed in Foster Homes, 55% reside with relatives, either inside or outside of San Francisco relatives.

Senate Bill 1177, which was originally authored by Senator Royce, established conditions under which foster parents must be given consideration, along with other potential adoptive families, to become the adoptive parents of a foster child. The bill was drafted in response to a specific case involving a foster family that cared for a child with Down's Syndrome for 1 1/2 years. Children's Home Society (CHS), the agency in charge of the adoption proceedings, did not consider that foster family when it sought a permanent placement for the child. As a result, the foster family sued CHS.

DSS reports that a "corrected" version of SB 1177 was drafted to be known as Senate Bill 2188 (SB 1177 was withdrawn by the author in favor of the new, "corrected" version, SB 2188). The new SB 2188 specified that it does not pertain to dependent children of juvenile court cases, and since DSS handles only such dependent children of juvenile court cases, SB 2188 (which replaces SB 1177) did not apply to DSS. DSS reports that Senator Royce's staff advised DSS that Senator Royce believes current laws governing public adoption agency activities already sufficiently address the issue of foster parent adoption. SB 2188 was signed into law in 1990.

### Comments

1. The total number of children that are in out-of-home placements within San Francisco and outside of San Francisco, as of December, 1991, as provided by DSS, is as follows:

#### Placements Within San Francisco County

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group Homes</u>	<u>Legal Guardian</u>	<u>Legal Guardian</u>		<u>Total</u>
				<u>Relative</u>	<u>Relative</u>	
White	69	29	15	2	35	150
Hispanic	46	35	19	25	73	198
Black	300	157	112	100	767	1,436
Asian	25	17	12	1	18	73
Indian	6	1	1	0	1	9
Filipino	4	5	3	2	3	17
Total	450	244	162	130	897	1,883

Placements Outside San Francisco County

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Legal</u>		<u>Legal</u>		<u>Total</u>
		<u>Homes</u>	<u>Guardian</u>	<u>Relative</u>	<u>Relative</u>	
White	102	29	3	6	81	221
Hispanic	77	24	7	4	46	158
Black	412	162	23	26	359	982
Asian	18	8	0	1	11	38
Indian	18	1	1	0	11	31
Filipino	<u>7</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>11</u>
Total	634	225	34	38	510	1,441

2. The DSS also reports that it has made, and is continuing to make certain efforts to recruit more African American foster and adoptive families in San Francisco, as follows:

- (a) Effective November 27, 1989, DSS reassigned recruitment responsibilities to a new Assistant Director, with foster children knowledge and experience in recruiting, training, certifying and supervising prospective foster and adoptive families. A \$400,000 Foster Care Reserve Fund was also established during 1990-91. DSS had proposed to develop a comprehensive recruitment plan for use of these reserve funds to increase the number of quality, culturally relevant foster homes in San Francisco and and to increase the number of homes available for children freed for adoption. Ms. Ann O'Reilly of DSS advises that the \$400,000 subsequently reverted to the General Fund as a result of the City's projected budget shortfall and, as such, was not made available to the Department for the development of a recruitment plan.
- (b) DSS budgeted \$60,000 in its 1990-91 budget to be used by the Assistant Director for recruitment purposes. Of the \$60,000, \$35,000 was used for contract services to aid in the recruitment of African American foster and adoptive families (see 2(c) below). Of the remaining \$25,000, approximately \$10,000 was used to fund a Black Adoption Fair, held on May 4, 1991 and approximately \$15,000 was used for the development of recruitment materials targeted towards cultural and ethnic groups. DSS reports that the Fair, which was held at the Recreation Center for the Handicapped in San Francisco, was attended by staff from 15 counties and approximately 300 families. A total of 63 African American children from San Francisco who were available for adoption were in attendance. Of the 300 families in attendance at the Fair, 58 families indicated an interest in pursuing adoption of a San Francisco child. DSS is in the process of doing follow-up with these families. Ms. O'Reilly reports that the DSS budgeted \$105,000 in 1991-92 for foster care recruitment. Of the \$105,000, the DSS has thus far designated \$71,062 to be expended as

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

follows: media advertising recruitment materials (\$16,540), contracting services for a Marketing Consultant and the development of a video (\$14,200), adoption home studies (\$1,000), Foster Parent training (\$5,472), Foster Parent Recognition Event (\$3,500), Photographs of Foster children used for targeted recruitment (\$8,000), community event fees (\$750), advertising display equipment (\$4,100), home modifications, to help homes meet licensing requirements (\$16,500), finders fees for Foster Parents who recruit other persons to participate in the program (\$1,000).

- (c) DSS issued a RFP, on June 15, 1990, to contract with a community-based agency with demonstrable expertise in recruiting African American foster and adoptive families. DSS reports that, as a result of the RFP process, Naomi Gray and Associates and Calvin Jones Jr. and Associates were selected to provide recruitment services. Both contracts were for a six-month period ending December 31, 1990. The contract with Naomi Gray and Associates was in the amount of \$21,000 and the contract with Calvin Jones Jr. and Associates is in the amount of \$14,000. Naomi Gray and Associates is a MBE/WBE firm and Calvin Jones Jr. and Associates is a MBE firm. DSS advises that, under these two contracts, the goal was to recruit 500 African American foster parents by December 31, 1990. 300 of the total 500 foster parents were to be recruited by Naomi Gray and Associates and the remaining 200 were to be recruited by Calvin Jones Jr. and Associates. According to DSS, the actual number of African American foster parents recruited under these two contracts was approximately 75 to 80.
- (d) DSS continues to use the services of private placement agencies such as the Black Adoption Placement and Research Center. In addition, DSS has identified organizations such as churches, ministerial alliances, and Black employee groups which have access to potential African American foster and adoptive families.
- (e) DSS's recruitment staff participate in public events, the Annual Adoption Fair, street fairs, and community outreach activities at shopping malls and other public gatherings.

3. Foster care rates are set by the State. DSS advises that, based on a U.S. Supreme Court ruling, relatives are paid the same rate, to provide foster care, as are foster parents who are not relatives, providing that the child is eligible for Federal foster care funding. However under State law, relatives who provide foster care to children, who are eligible for County and/or State foster care funding only, cannot receive foster care funding for their services. However, these relatives would be eligible for AFDC. DSS reports that although a State bill to change this law was defeated last year, the Department is continuing to work with the State Legislature to get the law changed to provide that all relatives providing foster care would be eligible to receive the established foster care rate. The current foster care rates for long term placement are outlined below:

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Memo to Economic and Social Policy Committee  
January 28, 1992 Economic and Social Policy Committee Meeting

<u>Age of Foster Care Children</u>	<u>Monthly Base Rate</u>	<u>Monthly Rates At</u>		
		<u>Level I*</u>	<u>Level II*</u>	<u>Level III*</u>
0-4	\$345	\$694	\$835	\$977
5-8	375	494	588	683
9-11	400	529	624	717
12-14	444	588	683	776
15-18	484	641	741	834

\*The level of payment above the base rate is determined by the specific foster child's special needs, as related to emotional, social, developmental or medical problems.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**







Item 4 - File 172-92-1

**Item:** Resolution approving Amendment No. 1 to the agreement for maintenance of State highways in the City and County of San Francisco, and authorizing the Mayor and the Clerk of the Board to sign Amendment No. 1 to said agreement.

**Effect of Amendment:** The proposed amendment will increase the maximum annual authorized expenditure eligible for reimbursement to the City and County of San Francisco by the State for maintenance work performed by the City on designated portions of State highways in San Francisco.

**Source of Funds:** California Department of Transportation (Caltrans)

**Agreement Period:** The proposed amendment would amend the agreement made between the City and County of San Francisco and the State of California, through the Department of Transportation in July 1990. The agreement will remain in effect until it is further amended or terminated. The effective date shown in the proposed amendment is December 1, 1991.

**Description:** The California Department of Transportation and the City's Department of Public Works (DPW) negotiated a renewal agreement in 1990 for the maintenance of State highway routes on City streets in the City and County of San Francisco. This agreement superseded the previous agreement for maintenance of State highways which was executed September 19, 1973.

Under the existing agreement, the City performs the following types of maintenance work on the State highway routes, as delegated by the State:

- (1) Roadbed maintenance.
- (2) Maintenance of culverts, ditches, drains, fences, curbs and other structures, adjacent to the State highways (this would include vegetation control).
- (3) Maintenance of lots under and/or adjacent to the State highways.
- (4) Removal of litter and debris.
- (5) Landscaping and maintenance of planted areas adjacent to the State highways.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

- (6) Maintenance of traffic strips and markings, raised pavement markers and signs and supports. Also, the maintenance and repair of guide posts, roadside markers, guardrails and median barriers.
- (7) Maintenance of electrical facilities including flashing beacons, traffic signals, traffic signal systems, safety lighting and sign lighting (this also includes the electrical energy for these facilities).

The agreement can be amended by mutual consent of both parties. According to Mr. Richard Evans, Director of Public Works, the Department of Public Works and Caltrans have developed an approach to keeping freeway ramp areas in San Francisco cleaner.

The proposed amendment will add six areas on or around Highway 101 and Interstate 80 in San Francisco to the maintenance responsibilities of the Department of Public Works. The maximum annual authorized expenditure for reimbursement by the State for the City's maintenance costs for areas outlined in the agreement would increase by \$60,000 from \$458,700 to \$518,700.

The two routes described in the original agreement which would be affected by the proposed amendment are:

1. State Route 80(a), 1.38 miles in length (Interstate 80)

James Lick Freeway from the Division Street Interchange to the First Street Interchange near the San Francisco-Oakland Bay Bridge.

The maximum annual authorized expenditure would increase by \$33,400 from \$33,000 to \$66,400.

2. U.S. Route 101(a), 5.99 miles in length (Highway 101)

Bayshore and James Lick Freeways from south City limits at San Mateo County Line to junction of Central Freeway from the Division Street Interchange to end of freeway at Golden Gate Avenue.

The maximum annual authorized expenditure would increase by \$26,600 from \$62,800 to \$89,400.

**Comments:**

1. According to Mr. Scott Shoaf, Deputy Director of Operations at DPW, the proposed amendment would obligate the City and County of San Francisco to perform litter removal at two additional interchanges of Interstate 80 and at three additional interchanges of Highway 101 and to perform general landscape work at planter boxes along a fourth Section of Highway 101.

The proposed amendment will not alter the text of the current agreement which describes the areas delegated to the City and County for maintenance. The new responsibilities are instead outlined on maps included in the amendment. The map legends show, and Mr. Shoaf confirms, that the new areas of responsibility are located:

Highway 101

- (1) Southbound, on ramp area at South Van Ness Avenue;
- (2) At the on and off ramp areas at Tenth and Ninth Streets at Bryant Street;
- (3) At the Army Street Interchange;
- (4) Raised planters along Bayshore Blvd. from Paul Avenue to Bacon Street.

Interstate 80

- (1) Ramp areas at 8th, 7th, Harrison, and Bryant Sts.
- (2) Ramp areas at 5th, 4th, Harrison, and Bryant Sts.

As noted above, State reimbursement for DPW maintenance on Highway 101 would increase by \$26,600 and for work on Interstate 280 by \$33,400.

2. Mr. Shoaf indicates that a higher level of reimbursement is available for two areas along I-80 than for four areas of Highway 101 because the I-80 areas comprise a total of eight ramp areas. The amendments concerning ramp areas of Highway 101 are less extensive, according to Mr. Shoaf, involving the addition of ramp areas Southbound only at S. Van Ness Avenue, short ramp areas at 9th and 10th Streets, and only incremental changes at the Army Street interchange.

3. Mr. Shoaf indicates that the proposed revisions to the agreement were suggested to Caltrans by DPW because of

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

perceived inadequacies in the coordination of litter removal activities between the City and the State on the streets and highways, such that the areas were never entirely clean. By transferring responsibility for the ramp areas to the City, DPW hopes to ensure that litter will be removed completely on both the street and ramp areas in specified locations.

4. After proposing the shift in responsibilities, DPW was asked to submit a cost estimate for the work to Caltrans, according to Mr. Shoaf. Caltrans accepted the DPW cost estimate of \$60,000.

5. Mr. Shoaf explains that the maximum annual authorized expenditure is a ceiling on reimbursement of costs by Caltrans. If the full amount is expended, DPW will perform no further maintenance in an area unless Caltrans agrees to increase the amount of reimbursement. Mr. Shoaf indicates that the maximum allowable reimbursement for the new areas in the amount of \$60,000 is probably too high rather than too low, and he expects the amounts budgeted to be sufficient to meet the City's maintenance costs. Mr. Shoaf indicates that if funds are not available to reimburse the City's costs, the work will not be performed by the City unless new funding is agreed upon, and the City will incur no unforeseen expense as the result of the delegation of maintenance responsibilities to DPW.

6. Mr. Shoaf indicates that litter removal is often performed by individuals either participating in the Sheriff's Work Alternative Program or receiving General Assistance, thus minimizing DPW expense for labor costs. The cost estimate of \$60,000 for the additional responsibilities was prepared by the Street Cleaning Division of DPW based upon the expected cost of providing the services, according to Mr. Shoaf.

7. As noted above, the effective date of the proposed amendment is shown as December 1, 1991. According to Mr. Shoaf, no maintenance work has yet been performed by DPW in the additional areas which would be delegated to the City and County if the proposed amendment is adopted. Mr. Shoaf recommends that the effective date of the proposed amendment be amended to March 1, 1992, in view of the current timeline for adoption of the proposed amendment.

8. The copy of the proposed amendment to the agreement between San Francisco and the State of California Department of Transportation does not reflect that it has

been approved as to form by the City Attorney's office. Mr. Shoaf indicates that verbal approval of the proposed amendment has been given by Mr. John Roddy, Deputy City Attorney. Approval by the Board of Supervisors of the proposed resolution should await the receipt of a copy of the proposed amendment which has been approved as to form and signed by the City Attorney's office.

**Recommendation:** Amend the proposed Amendment No. 1 to reflect an effective date of March 1, 1992.

If the proposed Amendment No. 1, amended to reflect an effective date of March 1, 1992, is approved as to form by the City Attorney's office, approve the proposed resolution.



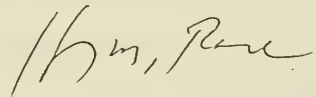


Memo to Economic and Social Policy Committee  
January 28, 1992 Economic and Social Policy Committee Meeting

Item 6 - File 127-91-14

1. The proposed item is a hearing to consider legislation that would impose a \$1,000 business tax or fee upon grocery and liquor stores selling fortified wines or malt alcoholic beverages.

2. According to Mr. Jack Doherty of the City Attorney's Office, State regulations prohibit localities from enacting any license fee or tax measure that singles out the liquor industry or any part of it. Therefore, the proposed tax or fee could not be imposed. According to the sponsor of this hearing, a memo from the City Attorney, which states that a tax or fee on any part of the liquor industry cannot be imposed by the City, will be provided to the Economic and Social Policy Committee at its meeting of January 28, 1992.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Migden  
Supervisor Alioto  
President Ward  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Shelley  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Adelle Foley  
Ted Lakey



70.22  
11/92  
CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, FEBRUARY 11, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

CLERK: MARY L. RED

REGULAR MEETING

1. File 115-91-3. [Designating the Buena Vista North Historic District] Ordinance amending Article 10 of the City Planning Code, Part II Chapter II of the Municipal Code by adding Appendix J designating the Buena Vista North Historic District. (Department of City Planning)  
(Approved by City Planning Commission by Resolution No. 13002.)  
(Categorically exempt from Environmental Impact Review.)  
(Continued from 1/14/92)

ACTION:

2. File 174-91-5. [Task Force on Blue Collar Jobs] Establishing a Task Force on Blue Collar Jobs and local employment opportunities to examine and report upon the crisis in employment opportunities facing San Francisco, particularly for residents under 25 years of age, and to submit a report of its findings and recommendations to the Board of Supervisors by February 1, 1992. (Supervisor Gonzalez)  
(Continued from 1/14/92)

ACTION:

3. File 121-91-6. [Tour Bus Restriction] Ordinance amending Police Code, by adding Section 1183.20, regarding tour bus restrictions on 26th Avenue, between Geary Boulevard and California Street. (Department of Parking & Traffic)  
(Continued from 1/28/92)

ACTION:

4. File 20-91-22.1. [Traffic Regulations] Recommending establishment of traffic regulations, Tow Away No Parking Anytime at Winthrop Street, west side, from Chestnut Street to a point approximately 180 feet southerly. (Department of Parking & Traffic)

ACTION:

5. File 7-92-1. Hearing to consider means of encouraging MUNI drivers to use bus stops to assist riders and traffic flow. (Supervisor Midgen)

ACTION:

6. File 121-92-1. [Advertising Vehicles] Ordinance amending Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by repealing Sections 680 through 682.7 thereof, regulating the operation of advertising vehicles on city streets, and adding a new Section 680 thereto, prohibiting the operation of advertising vehicles on city streets. (Supervisor Maher)

ACTION:

7. File 214-91-2. Hearing to consider Warsaw, Poland as a sister city. (Supervisor Ward)  
(Chair intends to entertain a motion to continue this  
item to call of the chair.)

ACTION:

8. File 214-91-3. Hearing to consider Heidelberg, Germany as a sister city. (Supervisor Ward)  
(Chair intends to entertain a motion to continue this  
item to call of the chair.)

ACTION:

SPECIAL ORDER – 3:00 PM

9. File 184-92-1. Hearing to consider ballot measure asking voters should California be divided into two states and if yes, do you want your county to be part of Northern California? (Supervisor Maher)

ACTION:

SPECIAL ORDER – 4:00 PM

10. File 97-91-58. [MBE/WBE Subcontracting Program] DRAFT ordinance amending the Administrative Code, Section 12D instituting a MBE/WBE Subcontracting Program for construction contracts. (Supervisor Kennedy)  
(Continued from 1/14/92)

ACTION:

11. File 284-92-1. [MBE/WBE/LBE – Prime Contracts] Ordinance amending the San Francisco Administrative Code by amending Section 12D.5 thereof relating to the procurement of goods and services and the award of public contracts by the City and County of San Francisco from Minority Business Enterprises, Women Business Enterprises and Local Business. (Supervisor Kennedy)

ACTION:

BOARD OF SUPERVISORS  
ECONOMIC & SOCIAL POLICY COMMITTEE  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE

D 0313

SF Public Library (2)  
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CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

DOCUMENTS DEPT.

BUDGET ANALYST

FEB 10 1992

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7600 PUBLIC LIBRARY

February 6, 1992

TO: Economic and Social Policy Committee

FROM: Budget Analyst - Recommendation

SUBJECT: February 11, 1992 Economic and Social Policy Committee Meeting

Item 6 - File 121-92-1

The proposed ordinance would amend Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by repealing Sections 680 through 682.7 thereof, regulating the operation of advertising vehicles on City streets, and adding a new Section 680 thereto, prohibiting the operation of advertising vehicles on City streets.

Current City law provides a permit and license process for "advertising vehicles." The City Attorney's Office reports that the only existing substantive restriction on advertising vehicles is that they not park on a public street for the sole or primary purpose of displaying advertising matter. The proposed ordinance would prohibit advertising vehicles or mobile billboards from operating in the City. The proposed ordinance would also bar any person from exhibiting or carrying any commercial sign or advertising display on a City street by means of a motor vehicle, unless the vehicle is being used primarily to transport passengers or goods.

Comments

1. Sergeant Steven Toccini of the Police Department's Permits Division reports that the current one-time permit fee for advertising vehicles is \$275, and the annual vehicle license fee is \$115. Sgt. Toccini estimates that currently there are approximately six advertising vehicles which have applied for a permit and pay annual license fees. Assuming that advertising vehicle permits would be filed for up to six additional vehicles annually, the City revenue would be reduced by a maximum of \$1,650 in permitting fees (\$275 each) and \$1,380 in annual vehicle licensing fees (\$115 each) for 12 vehicles, which includes the lost annual

vehicle license fees for the existing approximate six advertising vehicles and six additional advertising vehicles which would no longer pay annual vehicle license fees. Therefore, the estimated fiscal impact of the proposed ordinance would be minimal.

2. Mr. Gordon Park-Li of the Municipal Court reports that there is no fine listed on the City's bail schedule for operating an advertising vehicle without a permit. According to Mr. Thomas Owen of the City Attorney's Office, if no fine is specified for operating an advertising vehicle without a permit, the applicable fine for the proposed ordinance would be a misdemeanor offense. Mr. Owen reports that a misdemeanor offense would be up to a \$1,000 fine, or one year in jail, or both, depending upon the Court's decision.

3. Sgt. Toccini indicates that the proposed ordinance would be enforced as part of the Police Department's existing patrol duties at no additional cost to the City.

4. In a memo from the City Attorney's Office dated October 25, 1991, the City Attorney cited that there may be potential legal difficulties resulting from the proposed ordinance. First, there may be possible claims that the California Vehicle Code preempts such local regulations. However, a separate provision of the California Government Code authorizes cities to "regulate the exhibition, posting, or carrying of banners, placards, posters, cards, pictures, signs, or advertisements in or on the street." Therefore, the City Attorney's Office believes that the proposed legislation can be defended on this basis. In addition, according to the City Attorney's Office, there may be possible claims that the proposed ordinance would be an unlawful restriction of free speech. However, it is the City Attorney's opinion that the City has greater discretion in choosing how to address the problems created by mobile billboards, and therefore the City Attorney's Office has approved the proposed ordinance. The City Attorney's Office does advise the Board of Supervisors to make appropriate findings on these problems and to develop a sound factual record at the Committee meeting.

### **Recommendation**

Approval of the proposed ordinance, which would prohibit the operation of advertising vehicles on City streets, is a policy matter for the Board of Supervisors.



Item 9 - File 184-92-1

1. This item is a hearing to consider a ballot measure asking voters should California be divided into two states and if yes, do you want your county to be part of Northern California. In connection with this hearing, a draft motion has been prepared describing and setting forth a declaration of policy to the qualified electors of the City and County of San Francisco at an election to be held on June 2, 1992, relating to the question of the City and County of San Francisco being a part of the State of North California, in the event that the State of California is divided into two states.

2. The proposed legislation is aimed at placing a measure on the ballot, on June 2, 1992, which would ask San Francisco voters the following question: If the State of California were divided into a Northern California State and a Southern California State would you want San Francisco to be part of Northern California?

Comment

Mr. Mark Powers of Assemblyman Stan Statham's Office reports that the Assembly Office of Research is in the process of preparing a fiscal impact analysis, based on computer modeling, which will outline certain fiscal implications for the State and local jurisdictions, should the State of California be divided into two or three separate states. Mr. Powers anticipates that this report will be available for distribution to interested parties by February 29, 1992.



Item 10 - File 97-91-58

**Note:** This item was continued from the Economic and Social Policy Committee on January 14, 1991.

1. The proposed draft ordinance would amend Chapter 12D of the Administrative Code to institute a MBE/WBE subcontracting program for construction contracts.

2. The proposed draft ordinance would amend Chapter 12D as follows:

1) Section 12D.4 would be amended to add definitions for the following:

- a) Annual participation goals - provide targeted levels of City-wide MBE/WBE participation in City prime construction contracts that reflect the relevant share of MBE/WBEs in a given industry or profession.
- b) Back contracting - any agreement or other arrangement between a prime contractor and its subcontractor wherein the prime contractor performs or secures the performance of the subcontract in such a manner that the prime contractor enjoys the financial benefits of the subcontracts (i.e., a situation wherein the subcontractor does not actually perform the subcontract and instead the subcontract is performed by or is the responsibility of the prime contractor).
- c) Construction contract - any agreement made by the City for the construction, repair, rehabilitation, alteration, conversion or extension of buildings, parks, streets or other improvements to real property. Such an agreement would not include consultant agreements to perform architectural and engineering services for the City.
- d) Lower tier subcontracting - any agreement or arrangement between a subcontractor and a person as defined in this ordinance (i.e., one or more individuals, partnerships, associations, corporations), where it is agreed that said person must perform any term, condition or obligation imposed by the contract upon the subcontractor.
- e) Participation commitment - that proportion of each contract that the prime contractor has designated in its bid or proposal for MBE/WBE subcontractor participation.
- f) Participation goals - that proportion of each contract which is designated by the Director of the Human Rights Commission (HRC) for MBE/WBE subcontractor participation.

- g) Subcontractor - any business providing goods or services to a contractor for profit, if such goods or services are procured or used in fulfillment of the contractor's obligations arising from a contract with the City.

2) Section 12D.8(E) would be amended to provide that for all construction contracts, department or contract awarding authorities must submit written recommendations to the Director of the Human Rights Commission (HRC) regarding the levels of MBE and WBE participation goals to be set for the subject contract prior to soliciting bids or proposals. Additionally, Section 12D.8(E) would be amended to provide that prior to entering into any contract, the City department or the contract awarding authority must (1) make affirmative efforts to maximize the participation of MBE/WBE subcontracting (2) arrange contracts by size and type of work so as to maximize MBE/WBE contractor participation, (3) require bidders on prime contracts to notify all MBE/WBEs who are listed as subcontractors in their bid. Finally, Section 12D.8(E) would provide (1) that bidders, contractors and subcontractors on all contracts must be required to maintain relevant records and information necessary to document compliance with this ordinance, (2) during the term of the contract, the prime contractor must fulfill the MBE/WBE participation commitments submitted with their bid or proposal, (3) a provision for legal redress to MBE/WBE subcontractors for a prime contractor's non-compliance with requirements in this ordinance, including an agreement to pay damages to MBE/WBE subcontractors which were underutilized (4) whenever contract supplements, amendments or change orders increase the total dollar value of a contract by more than 10 percent of the original dollar amount of the contract, the MBE/WBE provisions of this ordinance which applied to the original contract would also apply to the supplements, amendments or change orders and must be complied with by the Contractor and (5) all contracts where subcontracting is utilized must prohibit back contracting to the prime contractor or lower tier subcontracting for any purpose inconsistent with the provision of this ordinance, rules and regulations adopted pursuant to this ordinance, or contract provisions pertaining to MBE/WBE utilization.

3) Section 12D. Subcontract Participation Goals for Construction Contracts, would be added to provide that construction contracts must be awarded and administered in accordance with the following standards:

- a) The Director of HRC must set MBE/WBE participation goals for each contract based on the following factors:
  - 1) the extent of subcontracting opportunities presented by the contract,
  - 2) the availability of MBE/WBEs which are capable of providing such subcontracting work,
  - 3) the degree to which such MBE/WBE goals will contribute to increasing participation of MBE/WBEs on such contract.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

- b) Bid conditions and requests for proposals must require prospective bidders to demonstrate in their bids and proposals that they have used every good faith effort to obtain MBE/WBE subcontractors. Prospective bidders must also include in their response MBE/WBE participation in a percentage which equals or exceeds the participation goals determined for the subject contract by the Director of HRC.
  - c) Bids and proposals must identify the specific MBE/WBE subcontractors to be utilized under the contract and specify the dollar amount of the subcontract and the type of work to be performed, along with any other information which may reasonably be required to determine the responsiveness of the bid or proposal.
  - d) During the term of the contract, any failure to comply with the percentage of the MBE/WBE participation required for the bid or proposal will be deemed a material breach of contract.
- 4) Section 12D.13 would be amended to provide the following:
- a) A City department or contract awarding authority may request the Director of HRC to waive or reduce MBE/WBE participation goals prior to the solicitation of bids or proposals. Such a request must be in writing.
  - b) A bidder or contractor may request the Director of HRC to waive or reduce the amount of MBE/WBE participation goals for the subject construction contract by submitting the reasons, in writing, to the Director of HRC at the time of its bid or proposal.
  - c) The Director may grant the request for waiver or reduction of MBE/WBE subcontractor participation based on the following determinations: (1) the necessary requirements of the construction contract are such that the use of subcontractors has been determined to be not feasible, (2) qualified MBE/WBEs capable of providing the goods and services required by the contract are unavailable, despite good faith efforts on the part of the City department and the prime contractor to obtain such MBE/WBE firms, and (3) available MBE/WBEs have given price quotes to the prime contractor which are unreasonably high, in that they exceed competitive levels beyond amounts which can be attributed to cover costs inflated by the present effects of discrimination.
  - d) If the Director of HRC denies a contractor's request to waive or reduce subcontractor participation goals, the contractor may appeal that denial to the Human Rights Commission whose decision on the request would be final.



**Comment**

As of the writing of this report, the City Attorney's Office had not finalized the proposed draft ordinance and had not approved this ordinance as to form. The City Attorney intends to introduce an Amendment of the Whole to the ordinance at the Economic and Social Policy Committee on February 11, 1992.

**Recommendation**

Approval of a final ordinance, prepared by the City Attorney, to amend Chapter 12D of the Administrative Code to institute a MBE/WBE subcontracting program is a policy matter for the Board of Supervisors.



Item 11 - File 284-92-1

1. The proposed ordinance would amend the Administrative Code by amending Section 12D.5, which relates to the procurement of goods and services and the award of public contracts by the City and County of San Francisco to Minority Business Enterprises (MBE), Women Business Enterprises (WBE), and Local Business Enterprises (LBE).

2. The proposed legislation stipulates that the Board of Supervisors has made the following findings:

- 1) Local businesses seeking contracts with the City continue to labor under a competitive disadvantage with businesses from other areas, because of the higher administrative costs of doing business in the City.
- 2) The public interest is served by encouraging businesses to locate and remain in San Francisco by providing a minimal "good faith" preference to local businesses in the award of City contracts.
- 3) Policies and programs that enhance the opportunities and entrepreneurial skills of local businesses will serve the public's best interest because, the growth of such businesses will have a positive economic impact on the City.
- 4) The testimony of businesses that seek contracts with the City or are doing business with the City, offers clear and persuasive reasons for the Board of Supervisors to take action, as proposed by this ordinance, to remedy competitive disadvantages local businesses continue to face.

3. Section 12D.5 currently defines "Economically Disadvantaged Business", as a business whose average gross annual receipts in the three fiscal years immediately preceding its application for certification as a MBE, WBE or LBE does not exceed the following limits: (1) Public Works/Construction - \$14 million, (2) Goods/Materials/Equipment and General Services Suppliers - \$2 million and (3) Professional Services - \$2 million. The proposed ordinance would amend Section 12D.5 to delete the category of LBE from this definition, thus eliminating LBE's from the designation of "economically disadvantaged business."

**Comments**

1. The City Attorney has prepared an Amendment of the Whole on the proposed ordinance, which will be introduced at the Economic and Social Policy Committee meeting on February 11, 1992. Under this amendment, Chapter 12D, Section 12D.5 is amended to not only change the definition of "Economically Disadvantaged Business" as outlined in the subject legislation noted above, but also to change the definition of "Local Business" as follows:

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

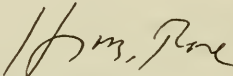
"Local Business" would be defined as "a business", instead of "an economically disadvantaged business", which is an independent and continuing business for profit, performs a commercially useful function and is a firm which (1) has fixed offices or distribution points located within the geographical boundaries of the City and County of San Francisco, (2) is listed in the Permits and License Tax Paid File of the Tax Collector's Office, with a San Francisco business street address and (3) possesses a current Business Tax Registration Certificate at the time of the application for certification as a local business. Additionally, to qualify as an LBE, a business must establish that it has been located and doing business in San Francisco for at least six months preceding its application for certification as an LBE.

2. The City Attorney advises that the ordinance as currently written extends contract preference benefits only to "economically disadvantaged" San Francisco based businesses. As such, a local business currently qualifies for a 5 percent bid preference only if it demonstrates that it is "economically disadvantaged." The amendments to the definitions of "Economically Disadvantaged Business" and "Local Business" would have the effect of removing the requirement that local businesses demonstrate that they are "economically disadvantaged" in order to qualify for a 5 percent bid preference.

3. Mr. Edwin Lee of the Human Rights Commission reports that the Amendment of the Whole ordinance, which would permit LBE's to qualify for a 5 percent bid preference, is aimed at enhancing a LBE's competitiveness in relationship to businesses outside of San Francisco. Mr. Lee advises that increased opportunities for local businesses should result in a positive fiscal impact on the City with respect to payroll and business taxes.

### Recommendation

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

  
Harvey M. Rose

cc: Supervisor Kennedy	Supervisor Maher
Supervisor Migden	Supervisor Shelley
Supervisor Alioto	Clerk of the Board
President Ward	Chief Administrative Officer
Supervisor Achtenberg	Controller
Supervisor Britt	Kent Sims
Supervisor Gonzalez	Adelle Foley
Supervisor Hallinan	Ted Lakey
Supervisor Hsieh	

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

C A L E N D A R

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, FEBRUARY 25, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

DOCUMENTS DEPT.

CLERK: MARY L. RED

FEB 24 1992

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CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 18-91-14.1. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department Parking and Traffic)

Stop Signs - Establish

22nd Street and Hampshire Street, northeast and southwest corners, stopping 22nd Street traffic (making this an all-way STOP).

20th Street and Noe Street, all corners (makes this an all-way STOP).

- (b) File 20-91-22.2. [Traffic Regulations] Recommending establishment of traffic regulations, Tow Away No Stopping Anytime at Clipper Street, south side, from 150 feet east of Diamond Heights Boulevard to Grand View Avenue. (Department of Parking & Traffic)

- (c) File 19-92-2. [Parking Regulations] Recommending establishment and extending of parking regulations, various streets. (Department of Parking and Traffic)

Perpendicular (90-Degree Angle) Parking - Establish

Bowdoin Street, west side, between Woolsey Street and Mansell Street.

Parking Meter Area 2 - Extend

Grove Street, both sides, between Franklin Street and Gough Street (1-hour meters).

45 - Degree Angle Parking - Establish

14th Avenue, east side, from Irving Street to 300 feet southerly.

- (d) File 20-92-1. [Traffic Regulations] Recommending establishment of traffic regulations, various streets. (Department of Parking and Traffic)

Tow-Away No Stopping Anytime - Establish

Kezar Drive, south side, from Arguello Street to approximately 137 feet westerly (137-foot zone).

Kezar Drive, south side, from Arguello Street to Approximately 3 feet easterly (3-foot zone).

One Way Street - Establish

Bowdoin Street between Woolsey Street and Mansell Street, One-Way northbound.

ACTION:

## REGULAR MEETING

2. File 107-90-2. Hearing to consider the Department of Social Services' Fraud Early Detection Program. (Supervisor Kennedy)  
(Continued from 1/14/92)

### ACTION:

3. File 125-92-1. [Housing Code] Resolution endorsing those changes and providing findings as to the local conditions requiring changes of the State Housing Code for buildings, as required by California Health and Safety Code; companion measure to File 125-92-1.1. (Department of Public Works)

### ACTION:

4. File 125-92-1.1. [Housing Code] Ordinance amending the Housing Code by amending Sections 206, 504, 505 and 1217; companion measure to File 125-92-1. (Department of Public Works)

### ACTION:

5. File 207-92-1. Hearing to consider crime problems at 101 Freeway overpass at San Bruno Avenue and Harkness Avenue. (Supervisor Ward)

### ACTION:

## SPECIAL ORDER - 4:00 PM

6. File 97-91-58. [MBE/WBE Subcontracting Program] Amending the San Francisco Administrative Code by Amending Chapter 12D Sections 12D.5, 12D.8, 12D.9 and 12D.19 thereof relating to a race and gender conscious construction subcontracting Affirmative Action Program. (Supervisor Kennedy) (Continued from 2/11/92)

### ACTION:

7. File 284-92-1. [MBE/WBE/LBE - Prime Contracts] Amending the San Francisco Administrative Code, Chapter 12D, Section 12D.5 thereof, by changing the definitions of "Economically Disadvantaged Business" and "Local Business. (Supervisor Kennedy)  
(Continued from 2/11/92)

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE



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1390 MARKET STREET, SUITE 1025

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February 20, 1992 DOCUMENTS DEPT.

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TO: Economic and Social Policy Committee

FROM: Budget Analyst - *Recommendations*

SUBJECT: February 25, 1992 Economic and Social Policy Committee Meeting

Item 2 - File 107-90-2

Note: This item was continued from the Economic and Social Policy Committee Meeting of January 14, 1992.

The Budget Analyst has prepared and transmitted a report, dated September 18, 1991, on the cost effectiveness of the "Front-end" early fraud detection (FRED) Program. For specific details, refer to the September 18, 1991 Budget Analyst report on the cost effectiveness of the FRED Program.

Department: Department of Social Services (DSS)

Item: Hearing on the Department of Social Services' "Front-end" Early Fraud Detection (FRED) Program.

Description: In March of 1990, DSS began operating a "Front-end" early fraud detection program, known as FRED, for the Aid to Families with Dependent Children (AFDC), Food Stamps, and General Assistance Programs. According to DSS, San Francisco is the 24th county in California to develop a FRED Program. The objectives of the FRED Program are to:

- 1) Prevent ineligible persons from receiving aid for which they have applied;
- 2) Reduce the number of referrals for prosecution of welfare fraud;

- 3) Attempt to find, for ineligible persons, alternative sources of aid for which they are eligible.

The FRED Program attempts to verify information given in client applications, which are used to determine the eligibility of the client. FRED investigators do not review all applications; rather, eligibility workers for the AFDC, Food Stamps, and General Assistance Programs refer selected applications to the FRED Program for verification. DSS investigators for the FRED Program verify application information through home visits, client interviews, authorized third party contacts, and other resources. After the investigator verifies the application information, the investigator recommends that the client either receive aid, be denied aid, or be referred to another aid program for which the client may be eligible.

The FRED Program is staffed with one Supervisor, eight Eligibility Workers, one Social Worker, and one Clerk.

For the period July 1, 1990 through June 30, 1991, the FRED Program has handled an estimated 1,994 case referrals. Of the total of 1,994 referrals, FRED Program staff found 987 cases to be ineligible and recommended that aid be denied or discontinued for these 987 cases.

- Comments:**
1. The Budget Analyst, in the report on the cost effectiveness of the FRED Program, estimates that, for the period July 1, 1990 through June 30, 1991, the FRED Program, prior to DSS expenses, saved a total of \$1,640,914 or about \$823 per referral of the total of 1,994 referrals. Taking into account the costs of the FRED Program, the net savings for FY 1990-91 is estimated to be \$1,189,085.
  2. Of the total net savings of \$1,189,085 for FY 1990-91, approximately \$537,072 (45.2 percent) would accrue to the Federal Government; \$535,881 (45.0 percent) would accrue to the State; and \$116,132 (9.8 percent) would accrue to the County General Fund. The reason why most of the savings accrue to the Federal and State governments is because the AFDC program is 95 percent funded by the Federal and State governments. The City pays for the remaining five percent of the cost of the AFDC program. The Food Stamps program is fully funded by the Federal government. Therefore, the Federal and State governments receive most of the savings benefit from the FRED Program.

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3. For FY 1991-92, the Budget Analyst projects that the FRED Program will yield a total net savings of \$1,684,385, of which approximately \$710,379 (42.2 percent) is savings to the Federal Government; \$673,219 (40 percent) is savings to the State; and \$300,787 (17.9 percent) is savings to the County General Fund.



Item 3 and 4 - File 125-92-1 and 125-92-1.1

**Department:** Department of Public Works (DPW),  
Bureau of Building Inspection (BBI)

**Items:** Item 3 (File 125-92-1) is a proposed resolution endorsing changes and providing findings as to the local conditions requiring changes of the State Housing Code for buildings, as required by the California Health and Safety Code.

Item 4 (File 125-92-1.1) is the corresponding proposed ordinance amending Part II, Chapter XII, of the San Francisco Municipal Code (Housing Code) by amending Sections 206, 504, 505 and 1217.

**Description:** BBI proposes to make editorial and technical changes to the City's Housing Code in order to correct errors in the Code and to provide for administrative and regulatory conditions that currently exist. Such changes would further distinguish the City's Housing Code from the State's Housing Code.

The California Health and Safety Code allows local Housing Codes to differ from the State Housing Code if special local conditions exist. However, the State Health and Safety Code requires Cities and Counties to furnish reasons to the State Building Standards Commission specifying those local conditions, which require the local Housing Code to be different from the State Housing Code. BBI has furnished 33 such reasons in the proposed resolution endorsing the changes.

The corresponding proposed ordinance (File 125-92-1.1) would make the following amendments to the Housing Code:

- A misplaced paragraph, relating to an exception for apartment buildings containing not more than six apartments, would be moved to Section 504 (g) from Section 505(f). This would have no impact on BBI's present operation.

- The number of guest rooms per sanitary restroom facilities per floor, in hotels where guest rooms do not contain such sanitary facilities, would be increased. The number of sanitary facilities required would vary according to the number of guest rooms per floor. For example, the existing Housing Code, for hotels where guest rooms do not each contain sanitary restroom facilities, requires a minimum of three sanitary facilities per floor for floors with between 12 and 21 guest rooms. The proposed new Housing Code provision for three sanitary facilities would increase the number of guest rooms per floor to between 21 and 30.
- A paragraph requiring the Superintendent of BBI to consider the standards of the California Plan for Residential Conservation Service in developing and amending rules and guidelines that implement the provisions of the San Francisco Housing Code. This proposed change would have no effect on BBI's present operation.
- Other minor editorial changes in Section 206, to account for changes in wording and organization in the State Code, would be made.

**Comment:**

According to BBI, the proposed resolution (File 125-92-1) is required because the proposed changes to the City's Housing Code with respect to sanitary facilities in hotels would further distinguish the City's Housing Code from the State Housing Code. Mr. Don Chan of the Housing Inspection Division reports that the State's Housing Code was recently changed, which decreased the required number of guest rooms per sanitary facilities per floor in hotels. This change, according to Mr. Chan, would have forced many of the City's residential hotels to increase the number of sanitary restroom facilities on each hotel floor. Rather than enforce a Code provision with which residential hotel owners would not be able to comply, given the existing conditions and complexity of residential hotel buildings in San Francisco, the Bureau is proposing to change the City's Housing Code provisions on sanitary facilities back to the old requirements of the State Housing Code. Therefore, pursuant to the State Health and Safety Code, the City is required, through a resolution, to endorse such changes and make findings as to the reasons why local conditions require the local Housing Code to be different from the State Housing Code.

Memo to Economic and Social Policy Committee  
February 25, 1992 Economic and Social Policy Committee Meeting

**Recommendations:** Approval of the proposed resolution (Item 3, File 125-92-1) is a policy matter for the Board of Supervisors.

Approval of the proposed ordinance (Item 4, File 125-92-1.1) is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS  
BUDGET ANALYST





Item 6 - File 97-91-58

**Note:** This item was continued from the Economic and Social Policy Committee on February 11, 1992.

1. The proposed ordinance would amend Chapter 12D, Sections 12D.5, 12D.8, 12D.9 and 12D.19 of the Administrative Code, relating to a race and gender conscious construction subcontracting Affirmative Action Program.

2. Chapter 12D of the Administrative Code, known as the MBE/WBE/LBE Ordinance, provides guidelines and regulations for the award of prime contracts for construction, certain goods, supplies, materials, equipment, general and professional services. As currently written, the ordinance extends benefits only to economically disadvantaged San Francisco based businesses. The ordinance currently does not include any provisions requiring prime construction contractors to subcontract any percentage of the contract to MBE/WBE subcontractors.

3. The proposed draft ordinance would amend Chapter 12D as follows:

1) Section 12D.5 Definitions would be amended to add the following definitions:

- a. Back contracting – any agreement or other arrangement between a prime contractor and its subcontractor where the prime contractor performs or secures the performance of the subcontract in such a manner that the prime contractor enjoys the financial benefits of the subcontract (i.e., a situation wherein the subcontractor does not actually perform the subcontract work and instead the subcontract work is performed by or is the responsibility of the prime contractor).
- b. Good faith efforts – will mean the steps undertaken, by a prime public contractor or construction related professional services provider (i.e., a construction management firm), to comply with the goals and requirements imposed by the City for participation by MBEs and WBEs, as subcontractors. Such steps must include the following:
  - Attending prebid meetings scheduled by the City to inform all bidders of the MBE/WBE requirements for the project for which the contract will be awarded.
  - Identifying and selecting specific items of the project to be performed by MBEs or WBEs to provide an opportunity for participation by those enterprises.

- Advertising, not less than 10 calendar days before the date the bids are opened, in one or more daily or weekly newspapers, publications journals or other media, specified by the City, for MBEs or WBEs interested in participating in the project. This paragraph applies only if the City gave public notice of the project not less than 15 calendar days prior to the date bids are opened.
  - Providing written notice of his/her interest in bidding on the contract to the number of MBEs or WBEs required to be notified by the project specifications not less than 10 calendar days prior to the opening of bids. The City must make available, no less than 15 calendar days prior to the date bids are opened, a list or source of lists of businesses which are certified by the Director of the Human Rights Commission (HRC) as MBEs or WBEs.
  - Following up initial solicitations of interest by contacting the MBEs and WBEs to determine for certain if the MBEs and WBEs are interested in performing specific items of the project.
  - Providing interested MBEs and WBEs with information about the plans, specifications and requirements for the selected subcontracting or material supply work.
  - Requesting assistance from minority and women organizations, minority and women contractor groups, governmental minority and women business assistance offices or any other available organizations that provide assistance in the recruitment and placement of MBEs or WBEs.
  - Negotiating in good faith, and not unjustifiably rejecting as unsatisfactory, bids which are prepared by any MBEs or WBEs, as determined by the City.
  - Where applicable, advising and assisting interested MBEs and WBEs in obtaining bonds, lines of credit, or insurance required by the City or contractor.
  - Making efforts to obtain MBE and WBE participation that the City could reasonably expect would produce a level of participation sufficient to meet the City's goals and requirements.
- c. Lower tier subcontracting - any agreement or arrangement between a subcontractor and a person as defined in this ordinance (i.e., one or more individuals, partnerships, associations, corporations), where it is agreed that said person must perform any term, condition or obligation imposed by the contract upon the subcontractor.

- d. Participation commitment - the targeted level of MBE/WBE subcontractor participation that each prime public works/construction contractor has designated in its bid.
- e. Public works/construction contract - agreements for the construction, reconstruction or repair of public buildings, streets, utilities or other public works or improvements.
- f. Subcontractor - any business providing goods or services to a contractor for profit, if such goods or services are procured or used in fulfillment of the contractor's obligations arising from a contract with the City.
- g. Subcontractor participation goals - the targeted level of MBE/WBE subcontractor participation designated by the Director of HRC for prime public works/construction contracts.

2) Section 12D.8(E) would be amended to provide that contracts must (1) require bidders, contractors and subcontractors to maintain records necessary for monitoring their compliance with this ordinance and (2) require that during the term of the contract, the prime contractor must fulfill the MBE and WBE participation commitments submitted with their bid. Additionally, Section 12D.8(E) would be amended to provide that (1) contracts must require prime contractors to include a contract provision in any subcontract with a MBE or WBE which provides the MBE or WBE with a legal redress for a prime contractor's non-compliance with his/her commitment to utilize MBE and WBE subcontractors and (2) that this contractual provision must include an agreement by the prime contractor to compensate any MBE or WBE if the prime contractor does not fulfill its commitment. Finally Section 12D.8(E) would provide (1) whenever contract supplements, amendments or change orders increase the total dollar value of a contract by more than 10 percent of the original dollar amount of the contract, the MBE/WBE provisions of this ordinance which applied to the original contract would also apply to the supplements, amendments or change orders and must be complied with by the prime contractor and (2) all contracts where subcontracting is utilized must prohibit back contracting to the prime contractor or lower tier subcontracting for any purpose inconsistent with the provision of this ordinance, rules and regulations adopted pursuant to this ordinance, or contract provisions pertaining to MBE/WBE utilization.

3) Section 12D.9 would be amended to add the following findings:

- a. Evidence relating to the participation of MBE/WBE prime and subcontractors on City construction contracts for FY 1990-91 reflects that MBEs and WBEs continue to be awarded contract dollars in amounts that are disproportionately lower than the available number of MBE and WBE prime contractors and subcontractors willing and able to perform construction work. In view of testimony before the Board of Supervisors and the HRC in 1983, 1984, 1988, 1989 and 1992, and the Redevelopment Agency in 1991, these results can be attributed in part to discriminatory procurement practices and in part to discrimination in the local construction industry against MBEs and WBEs that is manifested in and perpetuated by the City's procurement practices.
- b. The weight of the testimony and other evidence before the Board of Supervisors supports the conclusion that non-minority construction contractors doing business with the City and/or in the public sector limit MBE and WBE subcontract participation of construction contracts by engaging in discriminatory business practices.
- c. Since February 1989, the City has pursued race-neutral measures to facilitate MBE/WBE subcontractor participation in construction contracts (i.e., the City's adoption of a race-neutral disadvantaged business program for its construction contracts and the City's urging of prime construction contractors to voluntarily extend subcontracting opportunities to MBEs and WBEs on City construction contracts). These race and gender neutral measures have not been successful in increasing MBE/WBE subcontractor participation.
- d. Under the MBE/WBE subcontracting program, the contract awarding authority must submit written recommendations to the Director of HRC regarding MBE and WBE subcontractor participation goals to be set for a public works construction contract prior to soliciting bids, if the awarding authority reasonably anticipates that such contract will include subcontractor participation. Additionally, upon the receipt of a written recommendation from a contract awarding authority, the Director of HRC must set the MBE and WBE participation goals for each construction contract based upon (1) the extent of subcontracting opportunities presented by the construction contract, and (2) the availability of MBE/WBE subcontractors capable of providing goods and services on the contract. Also, bid conditions must require bidders on prime construction contracts to (1) demonstrate in their bid that they have used good faith efforts to utilize MBE and WBE subcontractors and (2) identify the particular MBE and WBE subcontractors to be utilized in the contract, specifying the dollar amount of participation, the type of work to be performed and other such information as may reasonably be required to determine responsiveness to the bid. Except as provided in Section 12D.9(D)(5), bids not meeting requirements of Section 12D.9(D)(2)

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



will be declared non-responsive. Finally, provisions under the MBE/WBE Subcontracting Program include:

- (1) A contract awarding authority may request that the Director of HRC waive or reduce the MBE and WBE subcontractor participation by submitting the reasons for the request in writing prior to the solicitation of bids or proposals.
  - (2) A bidder or contractor may request that the Director of HRC waive or reduce the amount of MBE and WBE subcontractor participation goals on a contract by submitting the reasons for the request in writing to the Director of HRC at the time of its bid or proposal.
  - (3) The Director may grant the request for a waiver or reduction of the amount of MBE/WBE subcontractor participation pursuant to Sections 12D.9(D)(3) and (D)(4) upon determining that
    - a) reasonable and necessary requirements of the construction contract render subcontracting infeasible,
    - b) qualified MBEs and/or WBEs capable of providing the goods or services required by the contract are unavailable, despite good faith efforts, and
    - c) available MBE/WBEs have given price quotes to the prime contractor which are unreasonably high, in that they exceed competitive levels beyond amounts which can be attributed to cover costs inflated by the present effects of discrimination.
  - (4) If the Director of HRC denies a contractor's request to waive or reduce subcontractor participation goals, the contractor may appeal that denial to the HRC whose decision on the request would be final.
  - (5) Prior to entering into any prime construction contract, the contract awarding authority must require bidders on the contract to contact all MBEs and WBEs before the MBE/WBEs are listed as subcontractors in the bid.
  - (6) Any failure to comply with the level of MBE and WBE subcontractor participation, during the term of the contract, will be deemed a material breach of the contract.
- 4) Section 12D-19 would provide that this ordinance would take effect April 3, 1992 and will govern construction contracts that have not been processed for bid by the effective date of this ordinance.

**Comments**

1. The City Attorney is in the process of preparing an Amendment of the Whole on this proposed ordinance, which will be introduced at the Economic and Social Policy Committee meeting on February 25, 1992.

2. Mr. Edwin Lee of the HRC reports that he believes that the proposed ordinance, which would establish a construction subcontracting Affirmative Action Program, would result in increased staffing costs to the HRC. As such, Mr. Lee advises that he anticipates requesting that the HRC be subject to less than a 10 percent reduction in its FY 1992-93 Departmental budget. Mr. Lee was unable to estimate, at this time, the specific amount that the HRC's staffing costs might increase as a result of this legislation.

**Recommendation**

Approval of the proposed legislation is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 7 - File 284-92-1

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of February 11, 1992.

The proposed ordinance would amend the San Francisco Administrative Code, Chapter 12D, Section 12D.5, by changing the definitions of "Economically Disadvantaged Business" and "Local Business".

Section 12D.5 currently defines "Economically Disadvantaged Business", as a business whose average gross annual receipts in the three fiscal years immediately preceding its application for certification as a MBE, WBE or LBE does not exceed the following limits: (1) Public Works/Construction - \$14 million, (2) Goods/Materials/Equipment and General Services Suppliers - \$2 million and (3) Professional Services - \$2 million. The proposed ordinance would amend Section 12D.5 to delete the category of Local Business Enterprise (LBE) from this definition, thus eliminating LBEs from the designation of "economically disadvantaged business." Additionally, Section 12D.5 would be amended to define "Local Business" as "a business", instead of "an economically disadvantaged business", which is an independent and continuing business for profit, performs a commercially useful function and is a firm which (1) has fixed offices or distribution points located within the geographical boundaries of the City and County of San Francisco, (2) is listed in the Permits and License Tax Paid File of the Tax Collector's Office, with a San Francisco business street address and (3) possesses a current Business Tax Registration Certificate at the time of the application for certification as a local business. Additionally, to qualify as a LBE, a business must establish that it has been located and doing business in San Francisco for at least six months preceding its application for certification as a LBE.

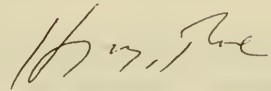
Comments

1. The City Attorney advises that the ordinance as currently written extends contract preference benefits only to "economically disadvantaged" San Francisco based businesses. As such, a local business currently qualifies for a 5 percent bid preference only if it demonstrates that it is "economically disadvantaged." The amendments to the definitions of "Economically Disadvantaged Business" and "Local Business" would have the effect of removing the requirement that local businesses demonstrate that they are "economically disadvantaged" in order to qualify for a 5 percent bid preference.

2. Mr. Edwin Lee of the Human Rights Commission reports that the proposed ordinance, which would permit LBEs to qualify for a 5 percent bid preference, is aimed at enhancing a LBE's competitiveness in relation to businesses outside of San Francisco. Mr. Lee advises that increased opportunities for local businesses should result in a positive, though undetermined, fiscal impact on the City with respect to payroll and business taxes.

**Recommendation**

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Migden  
Supervisor Alioto  
President Ward  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Shelley  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Adelle Foley  
Ted Lakey

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1992 cancellation  
1992 new date  
file under 11 Date.

BOARD of SUPERVISORS



City Hall  
San Francisco 94102  
554-5184

March 4, 1992

DOCUMENTS DEPT.

MAR 6 1992

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PUBLIC LIBRARY

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Economic & Social Policy Committee for Tuesday, March 10, 1992, at 2:00 p.m., has been cancelled.

The next regular meeting of the Economic & Social Policy Committee will be held on Tuesday, March 24, 1992, at 2:00 p.m., in Room 228, City Hall.

Sincerely,

John L. Taylor  
Clerk of the Board

IMPORTANT  
HEARING NOTICE

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CALIFORNIA 94102

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CALENDAR  
MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, MARCH 24, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

CLERK: MARY L. RED

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - (a) File 18-92-1. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)  
Stop Signs - Establish  
45th Avenue and Geary Boulevard, northwest and southeast corners, stopping 45th Avenue traffic;  
22nd and Capp Streets, northeast and southwest corners, stopping 22nd Street traffic (makes this an all-way STOP)
  - (b) File 18-92-2. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)  
Balboa Street and La Playa, all corners (makes this an all-way STOP);  
Filbert and Octavia Streets, northeast and southwest corners, stopping Filbert Street traffic (makes this an all-way STOP).
  - (c) File 18-92-4. [Stop Intersections] Recommending establishment of Stop intersection at 44th Avenue and Geary Boulevard, southeast and northwest corners, stopping 44th Avenue traffic. (Department of Parking and Traffic)
  - (d) File 18-92-5. [Stop Intersections] Recommending establishment of Stop intersection at Mission Street, Foote Avenue and Guttenberg Street, southeast and northwest corners, stopping Mission Street traffic (makes this an all way Stop). (Department of Parking and Traffic)
  - (e) File 19-92-2.1. [Parking Regulations] Recommending establishment of Motorcycle Parking (Non-Metered) on Folsom Street, south side, from 8th Street to 17.5 feet westerly (5 motorcycle stalls).

- (f) File 19-92-3. [Parking Regulations] Recommending establishment and extending of parking regulations, various streets. (Department of Parking & Traffic)

No Parking Anytime – Establish

De Haro Street, west side, between 19th and 20th Streets;

Parking Meter Area 2 (One-Hour Meters) – Extend

Main Street, east side, between Bryant and Harrison Streets.

Parking Meter Area 3 (30-Minute Meters) – Extend

Bacon Street, north side, 80 feet westerly from San Bruno Avenue (80-foot zone).

Motorcycle Parking Stalls – Establish

Haight Street, north side, 25 feet westerly from east property line of 1372-74 Haight Street (25-foot zone, seven motorcycle spaces).

- (g) File 19-92-4. [Parking Regulations] Recommending establishment of 2-hour Parking Time Limit, 9 am to 6 pm Monday through Saturday, on Hayes Street, between Gough and Octavia Streets. (Department of Parking and Traffic)
- (h) File 19-92-5. [Parking Regulations] Recommending establishment of parking regulations, various streets. (Department of Parking and Traffic)

Perpendicular (90-Degree) Parking – Establish

Connecticut Street, east side, between 16th and 17th Streets.

Two – Hour Parking Limit Monday through Saturday 7 a.m. to 6 p.m. – Establish

Gilbert Street, west side, between Bryant and Brannan Streets.

- (i) File 20-92-1.1. [Traffic Regulations] Recommending establishment and revocation of traffic regulations, various streets. (Department of Parking and Traffic)

Left Lane Must Turn Left – Establish

Jones Street, between Turk Street and Golden Gate Avenue.

No Turn On Red – Establish

Eddy Street, eastbound, at Jones Street;

Jones Street, southbound, at Eddy Street.

No Left Turn Except Muni – Recind

Geneva Avenue, westbound, at Mission Street.

No Left Turn Except Buses – Establish

Geneva Avenue, westbound, at Mission Street.



- (j) File 20-92-2. [Traffic Regulations] Recommending establishment of traffic regulations, various streets. (Department of Parking & Traffic)

Tow-Away Not Stopping Anytime – Establish

Woodside Avenue, south side, approximately 95 feet easterly from Laguna Honda Boulevard (95-foot zone);

3rd Street, both sides, between Phelps Street and Fairfax Avenue;

Powell Street, east side, 35 feet southerly from O'Farrell Street (35-foot zone);

Powell Street, east side 34 feet southerly from Geary Street (34-foot zone);

30th Street, south side, from 30 feet east of the west intersection with Church Street to 76 feet west of the west intersection with Church Street (106-foot zone, replacing red curb).

California Street, south side, 80 feet westerly from Kearny Street (80-foot zone).

No Left Turn – Establish

Mission Street at 16th Street, both directions;

16th Street at Mission Street, both directions (MUNI excepted for westbound 16th Street).

- (k) File 20-92-3. [Traffic Regulations] Recommending establishment and revocation of traffic regulations, various streets. (Department of Parking and Traffic)

One-Way Street – Establish

Minna Street, between 14th and 15th Streets, one-way southbound.

Tow-Away No Parking Anytime – Establish

Unit block of Federal Street, both sides, west portion.

Tow-Away, No Stopping, 7:00 AM to 9:00 AM and 3:00 PM to 6:00 PM, Monday Through Friday – Recind;

Tow-Away No Stopping Anytime – Establish

Fremont Street, west side, from Market Street to 144 feet south (144 foot zone, replacing 9 motorcycle meters, meters 4 and 6, and a 66 foot white zone).

Transit Vehicle Lane, 7:00 am to 9:00 AM, And 3:00 PM To 6:00 PM, Monday Through Friday – Recind;

Transit Vehicle Lane – Establish

Fremont Street, left-most northbound lane, west of the transit island, from Mission Street to Market Street.

Right Lane Must Turn Right (Except Transit Vehicles) – Establish

Fremont Street, northbound, at Mission Street.

Left Lane Must Turn Left – Establish

Fremont Street, northbound, at Mission Street.

No Right Turn - Establish

Fremont Street, northbound, at Market Street.

No Left Turn (Except Transit Vehicles) - Establish

No Left Turn (Except Muni, 7 to 9 AM and 4 to 6 PM Weekdays - Recind  
Fremont Street, northbound, at Market Street.

Tow-Away No Stopping, Except Van Pool Loading, Weekdays, 3 to 6 PM - Establish

Beale Street, west side, from 171 to 303 feet north of Howard Street (132 foot zone at meters 130, 134, 136, 138, 140 and 142).

Multiple Right Turn Lane - Establish

Brann Street, westbound, at 10th and Division Streets.

Two-Away Lane Must Turn Left - Establish

Post Street, eastbound, at Powell Street.

Post Street, eastbound, at Grant Avenue.

O'Farrell Street, eastbound, at Powell Street.

Tow-Away Lane Must Turn Right - Establish

Post Street, eastbound at Powell Street.

- (l) File 40-92-1. [Parking of Vehicles] Resolution extending the boundaries of the Residential Permit Parking Area "F" in the Jordan Park/Presidio Area; and adding Euclid Avenue, between the east property line of Spruce Street to a point 58 feet easterly, south side and adding to the list of streets upon which time limitations shall apply. (Department of Parking & Traffic)
- (m) File 40-92-2. [Parking of Vehicles] Resolution extending the boundaries of the Residential Permit Parking Area "G" in the Pacific Heights Area; and adding Presidio Avenue, between Sutter and Post Streets, east side, and adding to the list of streets upon which time limitations shall apply. (Department of Parking & Traffic)

ACTION:

REGULAR CALENDAR

- 2. File 114-92-1. [Building Code] Resolution endorsing those changes and providing findings as to the local conditions requiring changes of the State Building Code for buildings, as required by California Health and Safety Code; companion measure to File 114-92-1.1. (Department of Public Works)

ACTION:

3. File 114-92-1.1. [Building Code] Ordinance amending the Building Code by amending Sections 104(b), 202(h), 204(h), 204(i), 209, 301(b), 301(c), 302(d), 303(a), 303(m), 306(a), 307(d), 319(a), 405(n), 502, 503(a), 505(e), 510(b), Table No. 6.1, 705, 1001, 1102(d), 1201, 1204, 1205(a), 1205(c), 1210(a), 1214, 1214.1, 1704(b), 2004(c), 2303(a), 2313(c), 2516(c), 2516(g), 3001(a), 3005(a), 3006(a), 3303(a), 3303(c), 3304(i), 3306(b), 3306(m), 3306(o), 3306(t), 3325(i), 3325(l), 3801(d), 4306(a), 4306(n), 4706(c), 5101, 6003, 7201 and 7203(c), by adding Sections 104(i), 204(j), 216 and 504(e) and by deleting Sections 328, 1215 and 1233; companion measure to File 114-92-1. (Department of Public Works)

ACTION:

4. File 125-92-1. [Housing Code] Resolution endorsing those changes and providing findings as to the local conditions requiring changes of the State Housing Code for buildings, as required by California Health and Safety Code; companion measure to File 125-92-1.1. (Department of Public Works) (Continued from 2/25/92)

ACTION:

5. File 125-92-1.1. [Housing Code] Ordinance amending Part II Chapter XII of the San Francisco Municipal Code (Housing Code) by amending Sections 206, 504, 505, and 1217 to include self-closers on certain hotel doors as a retroactive requirement, to properly place an exception to passageway lighting in the subsection on artificial light, to clarify hotel bath and toilet standards, and to provide for adopting standards for residential energy conservation; companion measure to File 125-92-1. (Department of Public Works) (Continued from 2/25/92)

ACTION:

6. File 284-92-1. [MBE/WBE/LBE – Prime Contracts] Ordinance amending the San Francisco Administrative Code, Chapter 12D, Section 12D.5 thereof, by changing the definitions of "Economically Disadvantaged Business" and "Local Business." (Supervisor Kennedy)  
(Continued from 2/25/92)

ACTION

7. File 121-92-3. [Prohibition of Smoking in Taxicabs] Ordinance amending Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by amending Section 53 to prohibit smoking in taxicabs. (Supervisor Kennedy)

ACTION:

8. File 81-91-3.1. [Final Negative Declaration] Resolution adopting final negative declaration, finding and determining that the addition of Planning Code Section 249.12 to establish an affordable housing special use district, and the construction of up to 20 residential units on Lot 29 in Tax Assessor's Block 861 will have no significant impact on the environment, and adopting and incorporating findings of the final negative declaration; companion measure to Files 81-91-3, 81-91-3.2 (Department of City Planning)

ACTION:

9. File 81-91-3.2. [Zoning Map Change] Ordinance adopting changes in property use classification as an amendment to the Zoning Map of the City and County of San Francisco of property located at 645 Haight Street, Lot 29, Assessor's Block 861 from an NC-1 Neighborhood Commercial Cluster and Haight Street Affordable Housing Special Use District; and adopting findings pursuant to Planning Code Section 101.1; companion measure to Files 81-91-3, 81-91-3.1. (Department of City Planning).  
(Approved by City Planning Commission Resolution No. 13262).

ACTION:

10. File 81-91-3. [Special Use District-Haight Street] Ordinance amending Part II, Chapter II of the San Francisco Municipal Code (City Planning Code) by adding Section 249.12 to create the Haight Street Affordable Housing Special Use District, and finding consistency with Planning Code 101.1; companion measure to Files 81-91-3.1, 81-91-3.2. (Supervisor Kennedy)  
(Approved by City Planning Commission Resolution No. 13262).  
(Final Negative Declaration adopted by City Planning July 15, 1991).

ACTION:

11. File 54-91-2. [Legislative Policy Analysts] Motion directing the Clerk of the Board of Supervisors not to fill the currently vacant Legislative Policy Analyst positions; directing the Clerk to work with the Controller to prepare and submit amendments to the Annual Appropriation and Salary Ordinances that would delete these positions from City service and transfer back to the General Fund any remaining unexpended funds appropriated to the Legislative Policy Analysts and their operations.; and directing the Clerk to plan to return from the Board of Supervisors to the Chief Administrative Officer the office space and equipment assigned to the Legislative Policy Analysts. (Supervisor Hallinan)  
(The Chair intends to entertain a motion to table this item at sponsor's request)

ACTION:

12. File 194-92-1. Hearing to consider legislation to enable the City Attorney to use the vacant Legislative Policy Analyst Room 253 in City Hall while work is being done on childcare facility. (Supervisor Hallinan)  
(The Chair intends to entertain a motion to file this item at sponsor's request)
13. File 18-92-3. Hearing to consider establishing four-way Stop intersection at the corner of Elizabeth and Douglass Streets. (Supervisor Migden)

ACTION:

14. File 32-92-1. Hearing to review the policy of Viacom regarding complaints received from residents of the Notre Dame Apartment building. (Supervisor Kennedy)

ACTION:

15. File 207-92-5. Hearing to consider an incident that occurred on Tuesday, February 4, 1992 at approximately 4:30 p.m. at the corner of Silver and San Bruno Avenues involving Sala Burton High School Students and McAteer High School students . (Supervisors Kennedy, Gonzalez)

ACTION:



ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CALIFORNIA 94102

**IMPORTANT  
HEARING NOTICE**

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CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

March 19, 1992

DOCUMENTS DEPT.

TO: Economic and Social Policy Committee

MAR 23 1992

FROM: Budget Analyst - *Recommendation*

SAN FRANCISCO  
PUBLIC LIBRARY

SUBJECT: March 24, 1992 Economic and Social Policy Committee Meeting

### Item 2 and 3 - File 114-92-1 and 114-92-1.1

Department: Department of Public Works (DPW),  
Bureau of Building Inspection (BBI)

Items: Item 2 (File 114-92-1) is a proposed resolution endorsing changes and providing findings as to the local conditions requiring changes of the State Building Code for buildings, as required by the California Health and Safety Code.

Item 3 (File 114-92-1.1) is the corresponding proposed ordinance amending Part II, Chapter I, of the San Francisco Municipal Code (Building Code) by amending Sections: 104(b), 202(h), 204(h), 204(i), 209, 301(b), 301(c), 302(d), 303 (a), 303(m), 306(a), 307(d), 319 (a), 405(n), 502, 503(a), 505(e), 510(b), Table No. 6.1, 705, 1001, 1102(d), 1201, 1204, 1205(a), 1205(c), 1210(a), 1214, 1214.1, 1704(b), 2004(c), 2204(c), 2303(a), 2313(c), 2516(c), 2516(g), 3001(a), 3005(a), 3006(a), 3303(a), 3303(c), 3304(i), 3306(b), 3306(m), 3306(o), 3306(t), 3325(i), 3325(l), 3801(d), 4306(a), 4306(n), 4706(c), 5101, 6003, 7201, and 7203(c), by adding Sections 104(i), 204(j), 216 and 504(e) and by deleting Sections 328, 1215 and 1233.

**Description:** BBI proposes to make editorial and technical changes to the City's Building Code in order to correct errors in the Code and to provide for administrative and regulatory conditions that currently exist. Such changes would further distinguish the City's Building Code from the State's Building Code.

The California Health and Safety Code allows local Building Codes to differ from the State Building Code if special local conditions exist. However, the State Health and Safety Code requires Cities and Counties to furnish reasons to the State Building Standards Commission specifying those local conditions, which require the local Building Code to be different from the State Building Code. BBI has furnished 33 such reasons in the proposed resolution (File 114-92-1) endorsing the changes. A list of the 33 reasons is contained in the file.

The corresponding proposed ordinance (File 114-92-1.1) would make the following amendments to the Building Code:

- BBI proposes amendments to Sections 302 (d), 405 (g.1), 419(b.1), 419 (b.2) to implement provisions of the Reclaimed Water Use Ordinance.
- Establish a Code Advisory Committee. The Code Advisory Committee, consisting of representatives of the building industry, would review proposed code changes and make recommendations to the Superintendent of Building Inspection on revisions to the City's Building Code. This proposed change would codify BBI's present existing Ad Hoc Code Advisory Committee, which consists of representatives of the building industry.
- Other minor editorial and technical changes, to account for changes in wording and organization in the State Code, would be made.

**Comment:** Mr. Peter Burns of BBI advises that the Bureau intends to request a continuance of the legislation to the call of the Chair to enable BBI's Ad Hoc Code Advisory Committee to determine whether the proposed Code changes should be submitted with other scheduled general Building Code revisions, which will be made this summer.

**Recommendations:** Continue the proposed resolution (Item 2, File 114-92-1) and the proposed ordinance (Item 3, File 114-92-1.1) to the call of the Chair, as requested by BBI.

Item 4 and 5 - File 125-92-1 and 125-92-1.1

**Note:** These items were continued from the Economic and Social Policy Committee's meeting of February 25, 1992.

**Department:** Department of Public Works (DPW),  
Bureau of Building Inspection (BBI)

**Items:** Item 4 (File 125-92-1) is a proposed resolution endorsing changes and providing findings as to the local conditions requiring changes of the State Housing Code for buildings, as required by the California Health and Safety Code.

Item 5 (File 125-92-1.1) is the corresponding proposed ordinance amending Part II, Chapter XII, of the San Francisco Municipal Code (Housing Code) by amending Sections 206, 504, 505 and 1217.

**Description:** BBI proposes to make editorial and technical changes to the City's Housing Code in order to correct errors in the Code and to provide for administrative and regulatory conditions that currently exist. Such changes would further distinguish the City's Housing Code from the State's Housing Code.

The California Health and Safety Code allows local Housing Codes to differ from the State Housing Code if special local conditions exist. However, the State Health and Safety Code requires Cities and Counties to furnish reasons to the State Building Standards Commission specifying those local conditions, which require the local Housing Code to be different from the State Housing Code. BBI has furnished 33 such reasons in the proposed resolution endorsing the changes.

The corresponding proposed ordinance (File 125-92-1.1) would make the following amendments to the Housing Code:

- A misplaced paragraph, relating to an exception for apartment buildings containing not more than six apartments, would be moved to Section 504 (g) from Section 505(f). This would have no impact on BBI's present operation.

- The number of guest rooms per sanitary restroom facilities per floor, in hotels where guest rooms do not contain such sanitary facilities, would be increased. The number of sanitary facilities required would vary according to the number of guest rooms per floor. For example, the existing Housing Code, for hotels where guest rooms do not each contain sanitary restroom facilities, requires a minimum of three sanitary facilities per floor for floors with between 12 and 21 guest rooms. The proposed new Housing Code provision for three sanitary facilities would increase the number of guest rooms per floor to between 21 and 30.
- A paragraph requiring the Superintendent of BBI to consider the standards of the California Plan for Residential Conservation Service in developing and amending rules and guidelines that implement the provisions of the San Francisco Housing Code. This proposed change would have no effect on BBI's present operation.
- Other minor editorial changes in Section 206, to account for changes in wording and organization in the State Code, would be made.

**Comments:**

1. According to BBI, the proposed resolution (File 125-92-1) is required because the proposed changes to the City's Housing Code with respect to sanitary facilities in hotels would further distinguish the City's Housing Code from the State Housing Code. Mr. Don Chan of the Housing Inspection Division reports that the State's Housing Code was recently changed, which decreased the required number of guest rooms per sanitary facilities per floor in hotels. This change, according to Mr. Chan, would have forced many of the City's residential hotels to increase the number of sanitary restroom facilities on each hotel floor. Rather than enforce a Code provision with which residential hotel owners would not be able to comply, given the existing conditions and complexity of residential hotel buildings in San Francisco, the Bureau is proposing to change the City's Housing Code provisions on sanitary facilities back to the old requirements of the State Housing Code. Therefore, pursuant to the State Health and Safety Code, the City is required, through a resolution, to endorse such changes and make findings as to the reasons why local conditions require the local Housing Code to be different from the State Housing Code.

2. Mr. Peter Burns of BBI advises that BBI's Ad Hoc Code Advisory Committee, consisting of representatives of the building industry, is in the process of determining whether the proposed Code changes should be submitted with scheduled general Building Code revisions, which will be made this summer. The Ad Hoc Code Advisory Committee provides input and recommendations to the Bureau on proposed Building Code changes and policies. Because, the Ad Hoc Advisory Committee has not yet determined whether the proposed Code changes should be submitted with other scheduled general Building Code revisions, BBI has requested that these items be continued to the call of the Chair.

**Recommendations:** Continue the proposed resolution (Item 4, File 125-92-1) and the proposed ordinance (Item 5, File 125-92-1.1) to the call of the Chair, as requested by BBI.





Item 6 - File 284-92-1

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of February 25, 1992.

The proposed ordinance would amend the San Francisco Administrative Code, Chapter 12D, Section 12D.5, by changing the definitions of "Economically Disadvantaged Business" and "Local Business".

Section 12D.5 currently defines "Economically Disadvantaged Business", as a business whose average gross annual receipts in the three fiscal years immediately preceding its application for certification as a MBE, WBE or LBE does not exceed the following limits: (1) Public Works/Construction - \$14 million, (2) Goods/Materials/Equipment and General Services Suppliers - \$2 million and (3) Professional Services - \$2 million. The proposed ordinance would amend Section 12D.5 to delete the category of Local Business Enterprise (LBE) from this definition, thus eliminating LBEs from the designation of "economically disadvantaged business." Additionally, Section 12D.5 would be amended to define "Local Business" as "a business", instead of "an economically disadvantaged business", which is an independent and continuing business for profit, performs a commercially useful function and is a firm which (1) has fixed offices or distribution points located within the geographical boundaries of the City and County of San Francisco, (2) is listed in the Permits and License Tax Paid File of the Tax Collector's Office, with a San Francisco business street address and (3) possesses a current Business Tax Registration Certificate at the time of the application for certification as a local business. Additionally, to qualify as a LBE, a business must establish that it has been located and doing business in San Francisco for at least six months preceding its application for certification as a LBE.

**Comments**

1. The City Attorney advises that the ordinance as currently written extends contract preference benefits only to "economically disadvantaged" San Francisco based businesses. As such, a local business currently qualifies for a 5 percent bid preference only if it demonstrates that it is "economically disadvantaged." The amendments to the definitions of "Economically Disadvantaged Business" and "Local Business" would have the effect of removing the requirement that local businesses demonstrate that they are "economically disadvantaged" in order to qualify for a 5 percent bid preference.

2. Mr. Edwin Lee of the Human Rights Commission reports that the proposed ordinance, which would permit LBEs to qualify for a 5 percent bid preference, is aimed at enhancing a LBE's competitiveness in relation to businesses outside of San Francisco. Mr. Lee advises that increased opportunities for local businesses should result in a positive, though undetermined, fiscal impact on the City with respect to payroll and business taxes.

**Recommendation**

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 7 - File 121-92-3

1. The proposed ordinance would amend Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by amending Section 53 to prohibit smoking in taxicabs.

2. Section 53 of the Police Code currently prohibits smoking in taxicabs only when a sign is posted, in order to protect the health and welfare of taxicab drivers who desire to work in a smoke-free environment. Additionally, Section 53 provides that every person or company operating a taxicab(s) is to provide a "no smoking" sign for each vehicle during all hours of operation and must give authorization to the driver of the vehicle to use his or her discretion to determine whether or not to post the "no smoking" sign. Finally, Section 53 stipulates that it is unlawful for any person to smoke or carry a lighted cigar, cigarette or pipe in a taxicab wherein a "no smoking" sign is posted in a place that can readily be seen and read by passengers.

3. The proposed ordinance would amend Section 53 to (1) prohibit smoking in taxicabs, in order to protect the health and welfare of taxicab drivers and passengers, (2) provide that every person or company operating a taxicab(s) must provide a "no smoking" sign for each vehicle during all hours of operation and must require the driver of the vehicle to post the "no smoking" sign, (3) provide that it is unlawful for any person, whether the person is a driver or passenger, to smoke or carry a lighted cigar, cigarette or pipe in a taxicab, and (4) stipulate that it is unlawful for the driver of any taxicab to knowingly permit a violation of the provisions of this Section by any passenger.

4. Officer Farrell Suslow of the Police Department's Permit Unit reports that if it became unlawful for any person to smoke or carry a lighted cigar, cigarette or pipe in a taxicab, the failure to obey such a law would typically fall into the category of an infraction from the standpoint of the Police Department and would be enforced on a complaint basis. Officer Suslow advises that if the Police Department were required to perform a rigorous enforcement of this law (i.e. monitoring taxicabs in the field), it could potentially require either diverting Police Officers from other activities or require some additional Police Officer positions. Officer Suslow could not estimate the number of potential increased Police Officers which might be needed and therefore could not provide the potential increased costs related to this legislation.

Comment

Officer Suslow notes that Section 1098 of the Police Code currently stipulates that it is unlawful for any driver of a motor vehicle for hire in the City and County of San Francisco to smoke any cigar, pipe or cigarette, or to burn tobacco while passengers are occupying any of the seats in such vehicle.

Memo to Economic and Social Policy Committee  
March 24, 1992 Economic and Social Policy Committee Meeting

**Recommendation**

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 11 - File 54-91-2

The proposed motion would direct the Clerk of the Board of Supervisors to not fill the currently vacant Legislative Policy Analyst positions; direct the Clerk to work with the Controller to prepare and submit amendments to the Annual Appropriation and Salary Ordinances that would delete these positions from City service and transfer back to the General Fund any remaining unexpended funds appropriated to the Legislative Policy Analysts and their operations; and direct the Clerk to plan to return from the Board of Supervisors to the Chief Administrative Officer the office space and equipment assigned to the Legislative Policy Analysts.

Comments

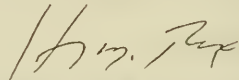
1. The Board of Supervisors has submitted a fiscal year 1992-93 budget request to the Mayor's Office which includes both a high and low level request. The high level budget request includes funding for the three Legislative Policy Analyst positions. The low level budget request, which reflects a ten percent reduction in the Board of Supervisors budget, eliminates the funding for the three Legislative Policy Analyst positions.

2. According to the March 24, 1992 Economic and Social Policy Committee calendar, the Chair intends to entertain a motion to table this item at the sponsor's request.

Item 12 - File 194-92-1

This item is a hearing to consider legislation to enable the City Attorney to use the vacant Legislative Policy Analyst Room 253 in City Hall while work is being done on the childcare facility.

According to the March 24, 1992 Economic and Social Policy Committee calendar, the Chair intends to entertain a motion to table this item at the sponsor's request.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Migden  
Supervisor Alioto  
President Ward  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Shelley  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Adelle Foley  
Barbara Kolesar  
Ted Lakey



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CALENDAR

SPECIAL MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
= BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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TUESDAY, APRIL 7, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, MIGDEN, ALIOTO

CLERK: MARY L. RED

REGULAR CALENDAR

1. File 18-92-3. Hearing to consider establishing four-way Stop intersection at the corner of Elizabeth and Douglass Streets. (Supervisor Migden)  
(Continued from 3/24/92)

ACTION:

2. File 36-91-8. [Zoning Map Amendment - Noe Valley Neighborhood Commercial District] Ordinance amending Part II, Chapter II of the San Francisco Municipal Code (City Planning Code) by amending the Zoning Map of the City and County of San Francisco for properties generally described as Assessor's Block 6538, Lot 23 from RH-2 to 24th Street - Noe Valley Neighborhood Commercial District; and adopting findings pursuant to City Planning Code Section 101.1. (Supervisor Achtenberg)

(Approved by City Planning Resolution No. 13277.  
(Categorically exempt from Environmental Review).

ACTION:

3. File 174-91-5. [Task Force on Blue Collar Jobs] Establishing a Task Force on Blue Collar Jobs and local employment opportunities to examine and report upon the crisis in employment opportunities facing San Francisco, particularly for residents under 25 years of age, and to submit a report of its findings and recommendations to the Board of Supervisors by February 1, 1992. (Supervisor Gonzalez)

ACTION:

4. File 20-92-4. Hearing to consider installation of sound devices for the blind at traffic signals. (Supervisor Ward)

ACTION:

5. File 20-92-5. [Traffic Regulations] Resolution enacting traffic regulation on Commercial Street, 600 block between Montgomery and Kearny Streets (Street closed to vehicular traffic, 11:00 a.m. to 3:00 p.m. Monday through Friday). (Department of Parking & Traffic)

ACTION:

6. File 36-92-1. [Zoning Amendment] Ordinance adopting changes in property use classification as an amendment to the Zoning Map of the City and County of San Francisco for property located on the northwest and northeast sides of Howth Street at the north side of Geneva Avenue, Lots 2A, 2B, 2C, 3A and 3B in Assessor's Block 6947 and Lots 12A, 12C, 12E, 12F, and 22 in Assessor's Block 6948, from an RH-1 (House, One-Family) District to an RH-2 (House, Two Family) District. (Department of City Planning)

(Approved by City Planning Commission Resolution No. 13226).  
(Exempt from environmental review as a General Rule Exclusion).

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE

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**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

April 7, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** April 7 Economic and Social Policy Committee Meeting

Item 4 - File 20-92-4

**Item:** Hearing to consider installation of sound devices for the blind at traffic signals.

**Description:** According to the Department of Parking and Traffic, the City currently uses two types of audible traffic signals. The first type is a traditional audible signal, which uses different sounds, such as beeps, bells or chirps to signal the beginning of the allowable crossing time for each crossing direction. This type of signal has been installed at several locations in the City where it is generally known that significant numbers of visually impaired pedestrians cross the streets, such as near the Lighthouse for the Blind, and near San Francisco State University. The Department of Parking and Traffic advises that visually impaired pedestrians have complained that they do not understand these traditional audible signals. Also, neighborhood residents have complained about the noise created by the signals, the Department reports. As a result, the Department does not operate the signals late at night.

As an alternative to the traditional audible crossing signal, a "talking" signal has recently been developed. The talking signal gives a voice message containing the pedestrian signal's message and direction, transmitted to a small receiver carried by the visually impaired pedestrian. Such a system has been installed at Fifth and Market Streets. According to the Department of Parking and Traffic, public response to the talking system has

been favorable, and the Department of Parking and Traffic plans to install sixteen of these systems in the Market Street/Powell Street/Cable Car turntable area.

The cost of installing and maintaining the traditional audible crossing signals is approximately \$5,000 per intersection. The cost of installing and maintaining the talking crossing signals is approximately \$5,680 per intersection. The receivers for the visually impaired to translate the talking signals cost \$250 each. Such receivers would not be provided by the City. The monies to be expended for talking signals in the Market Street/Powell Street/Cable Car turntable area have been provided from the Transportation Development Act, the Department of Parking and Traffic advises. The total cost of 16 talking signals will be \$90,880, or 16 times \$5,680.

**Comments:**

1. The Department of Parking and Traffic tentatively recommends talking signals over the traditional audible signals because of the favorable public response. However, Mr. Tim Johnson of the Department of Parking and Traffic advises that San Francisco is among the first localities to install such signals. Since these signals are still in the experimental stage, the Department advises that before funds are expended to install talking signals City-wide, further study regarding their effectiveness should be done. Mr. Johnson advises that the Department of Parking and Traffic plans to review the effectiveness of the talking signals after they have been installed in the sixteen Cable Car area locations.

2. Mr. Johnson advises that the cost of the talking signals is anticipated to decrease, because the technology is new.

3. According to Mr. Johnson, the Department of Parking and Traffic plans to work with local businesses, such as hotels, to encourage these businesses to make receivers available to visually impaired tourists. Local residents could purchase such receivers individually.

Item 5 - File 20-92-5

- Department:** Department of Parking and Traffic (DPT)
- Item:** The proposed resolution would regulate traffic on Commercial Street in the 600 block between Montgomery and Kearny Streets.
- Description:** The proposed legislation would establish the closure of vehicular traffic on Commercial Street in the 600 block between Montgomery and Kearny Streets, from 11:00 a.m. to 3:00 p.m., Monday through Friday.

Mitsui Fudosan Inc. the developer of an office highrise located at 505 Montgomery Street and Polio D'Asti, Paninoteca, an Italian restaurant, housed in the Mitsui highrise at the base of 505 Montgomery Street are requesting the closure of Commercial Street to vehicle traffic between the hours of 11:00 a.m. and 3:00 p.m. on weekdays in order to enable restaurants only on Commercial Street to set up outdoor tables. The plan behind the street closure is to attract more pedestrians and thereby enhance the support of businesses in the immediate area.

The Department of Parking and Traffic held public hearings on July 26, 1991 and August 23, 1991 to consider the proposal to close Commercial Street. At these hearings it was agreed that the closure of Commercial Street should take place and that the street closure would be reviewed and evaluated six months after the street closure takes effect, in order to assess the impact of said closure on the businesses and residential tenants in the immediate area as well as the flow of traffic.

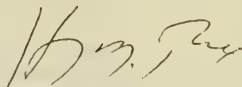
- Comments:**
1. The proposal to review the street closure after six months was primarily aimed at addressing concerns expressed by two residential tenants that the closure of the street would result in increased litter problems and would worsen traffic on adjoining streets and keep delivery trucks, United Postal Service, hospital courtesy vans and ambulances from accessing the street at midday.
  2. Mr. Scott Emge of Mitsui Fudosan Inc. reported that 15 of 22 business and property owners contacted by the company were in support of the street closure, including the landlord of a 200-unit senior apartment complex, the largest facility on the block. According to Mr. Emge, most of the residences have their main doors on other streets, so closing Commercial Street should not affect emergency vehicle access. Mr. Tim Johnson of the DPT advises that the road barriers used to close the street



would be easily removable and tables would be placed so that ambulances could still access the street. The DPT does not anticipate any general traffic flow problems as a result of the street closure.

3. Mr. Johnson reports that the closure of Commercial Street would be at no cost to the City. Mr. Johnson advises that any costs associated with the installation and maintenance of street barriers would be paid for by those businesses which have proposed the street closure.

**Recommendation:** Approval of the proposed resolution is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Migden  
Supervisor Alioto  
President Ward  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Shelley  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Adelle Foley  
Barbara Kolesar  
Ted Lakey



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BOARD of SUPERVISORS



City Hall  
San Francisco 94102  
554-5184

March 31, 1992

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NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Economic & Social Policy Committee for Tuesday, April 14, 1992, at 2:00 p.m., has been cancelled.

The next regular meeting of the Economic & Social Policy Committee will be held on Tuesday, April 28, 1992, at 2:00 p.m., in Room 228, City Hall.

Sincerely,

A handwritten signature in cursive script that reads "John L. Taylor".

John L. Taylor  
Clerk of the Board

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CALIFORNIA 94102

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## CALENDAR

### SPECIAL MEETING OF ECONOMIC & SOCIAL POLICY COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, APRIL 28, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

CLERK: MARY L. RED

### CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 18-92-1. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking & Traffic)

#### STOP Signs - Establish

Sacramento Street and Lyon Street, northeast and southwest corners, stopping Sacramento Street traffic (makes this an all-way STOP).

45th Avenue and Anza Street, southeast and northwest corners, stopping 45th Avenue traffic.

46th Avenue and Geary Boulevard, southeast and northwest corners, stopping 46th Avenue traffic.

46th Avenue and Kirkham Street, southeast and northwest corners, stopping 46th Avenue traffic (makes this an all-way STOP).

47th Avenue and Sutro Heights Avenue, northeast and southwest corners, stopping 47th Avenue traffic.

Waller Street and Shrader Street, northeast and southwest corners, stopping Waller Street traffic (makes this an all-way STOP).

Coleridge Street and Virginia Avenue, northeast and southwest corners, stopping Virginia Avenue traffic (makes this an all-way STOP).

Holloway Avenue and Brighton Avenue, northeast and southwest corners, stopping Holloway Avenue traffic (makes this an all-way STOP).

- (b) File 19-92-6. [Parking Regulations] Recommending revocation and extension of parking regulations, various streets. (Department of Parking and Traffic)

#### Two - Hour Parking Limit - Rescind

800 and 900 blocks of Innes Avenue.



Parking Meter Area Three (One-Hour Meters) – Extend

La Playa, east side, from Balboa Street to approximately 410 feet southerly.

La Playa, west side, from Balboa Street to approximately 220 feet southerly.

- (c) File 20-92-7. [Traffic Regulations] Recommending establishment of traffic regulations, various streets. (Department of Parking & Traffic)

No Turn on Red – Establish

4th Street, southbound, at Folsom Street.

Right Lane Must Turn Right – Establish

Stanyan Street, southbound, at Fulton Street;

Sagamore Street, westbound, at Orizaba Avenue and Brotherhood Way.

No Right Turn Except Muni – Establish

Duboce Avenue, eastbound, at Market Street.

Tow-Away No Stopping Anytime – Establish

17th Street, south side, from Muni Potrero Division facility's east driveway edge to 25 feet easterly (25-foot zone).

17th Street, south side, from Muni Potrero Division facility's west driveway edge to 15 feet westerly (15-foot zone).

17th Street, north side, from 130 feet to 180 feet west of Hampshire Street (50-foot zone).

ACTION:

REGULAR CALENDAR

2. File 36-92-2. [Zoning Map Change] Ordinance adopting changes in property use classification as an amendment to the Zoning Map of the City and County of San Francisco for property located on 625 Duncan Street, between Castro and Diamond Streets, Assessor's Block 6604, Lots 40 and 41, from an RH-1 (House, one-Family) District to an RH-2 (House, Two-Family) District; and adopting findings pursuant to Section 101.1. (City Planning Department)  
(Approved by City Planning Resolution No. 13288)  
(Exempt from environmental review as a General Rule Exclusion).

ACTION:

3. File 97-92-14. [Rent Board] Ordinance amending the San Francisco Administrative Code by amending Section 37.8, to provide that appeals to the Board must be filed on the next business day if the final day for filing is a Saturday, Sunday or legal holiday. (Supervisor Achtenberg)

ACTION:





4. File 97-92-15. [Rent Board] Ordinance amending the San Francisco Administrative Code by adding Section 37.8A thereto to provide for a voluntary expedited hearing procedure for certain types of hearings. (Supervisor Achtenberg)

ACTION:

5. File 207-91-5. Hearing to consider to the reasons why applicants for San Francisco Police Officers, from 1986 to the present, while having passed the test for Police Officer, were denied or eliminated in the background process and that the Chief of Police or his representative, a representative from Retention and Recruitment and the commanding officer in personnel be present at this hearing. (Supervisor Kennedy)  
(Continued from 10-29-91)

ACTION:

6. File 20-92-6. Hearing to consider feasibility of placing a "one lane only" sign (pointing to the left) at the intersection of Peralta and Hampshire Streets. (Supervisor Kennedy)

ACTION:

7. File 42-92-14. Hearing to consider legislation closing a portion of Castro Street, between 18th and 19th Streets on May 17, 1992, for self-defense training/anti-gay bashing workshops. (Supervisor Britt)

ACTION:

8. File 47-91-16. Hearing to consider parking facilities for commercial and sport fisherman at Fisherman's Wharf. (Supervisor Ward)

ACTION:

9. File 171-92-1. Hearing to consider City's intentions to construct an interchange at Islais Creek and I-280. (Supervisor Gonzalez)

ACTION:

10. File 206-92-1. Hearing to consider the Housing Authority's procedure for disbursement of funds to tenants' groups for resident-management training. (Supervisor Kennedy)

ACTION:

11. File 284-92-2. Hearing to consider Human Rights Commission Sunset Report regarding the MBE/WBE/LBE Ordinance. (Supervisor Kennedy)

ACTION:

12. File 284-92-3. Hearing to consider Human Rights Commission Progress Report FY 1990-91, regarding the MBE/WBE/LBE Ordinance. (Supervisor Kennedy)

ACTION:



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CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

April 23, 1992

DEPOSITORY ITEM  
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APR 28 1992

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TO: Economic and Social Policy Committee

FROM: Budget Analyst *Recommendations.*

SUBJECT: April 28, 1992 Special Economic and Social Policy Committee Meeting

Items 3 and 4 - Files 97-92-14 and 97-92-15

1. The proposed ordinance would amend the Administrative Code by amending Section 37.8 to provide that appeals to the Residential Rent Stabilization and Arbitration Board regarding rental increase adjustments must be filed on the next business day if the final day for filing such appeals is a Saturday, Sunday or legal holiday (File 97-92-14).

The proposed ordinance would amend the Administrative Code by adding Section 37.8A to provide for a voluntary expedited hearing procedure for certain types of hearings related to landlord and tenant disputes (File 97-92-15).

2. Section 37.8 of the Administrative Code outlines the guidelines and procedures for the arbitration of rental increase adjustments. Currently, Section 37.8(f) provides that any appeal to the Residential Rent Stabilization and Arbitration Board (Rent Board) from the decision made by the hearing officer with respect to a rent increase, must be made within fifteen calendar days of the mailing of the Findings of Fact unless such time is extended by the Rent Board based on a showing of good cause. The proposed ordinance (File 97-92-14) would amend Section 37.8(f) to add language which would stipulate that appeals must be filed with the Rent Board on the next business day, if the final day for filing an appeal is a Saturday, Sunday or legal holiday.

3. The proposed ordinance (File 97-92-15) would amend the Administrative Code to add a new Section 37.8A to provide for a voluntary expedited hearing procedure for landlord and tenant disputes to be used as an alternative, in certain cases, to the standard procedures outlined in Sections 37.7(g) and 37.8(e) of the Administrative Code. Section 37.8A outlines the following proposed guidelines and procedures:

- 1) A tenant or landlord may seek an expedited hearing for the following petitions only:
  - a) Any landlord capital improvement petition where the proposed increase for capital improvement costs does not exceed the greater of 10 percent or \$30 of a tenant's base rent and the landlord and tenant agree to the cost of the capital improvements.
  - b) Any tenant petition alleging a decrease in housing services, which have a past value not exceeding \$1,000 as of the date the petition is filed.
  - c) Any tenant petition alleging the landlord's failure to repair and maintain the premises as required by State or local law.
  - d) Any tenant petition alleging unlawful rent increases where the landlord and tenant are in agreement as to the tenant's rent history and the rent overpayments do not exceed a total of \$1,000 as of the date the petition is filed.
  - e) Any petition concerning jurisdictional questions where the tenant and landlord agree to the relevant facts.
- 2) Expedited hearings must be conducted according to the following procedures:
  - a) The hearing must be held within 21 days of the filing of the written consent of all the parties.
  - b) To the greatest extent possible, and only with the consent of the parties, multiple hearings with respect to a given building will be consolidated.
  - c) The hearing must be conducted by a hearing officer designated by the Rent Board. Both parties may offer such documents, testimony, written declarations or other evidence as may be pertinent to the proceedings. No record of the hearing will be maintained for any purpose.

- d) The hearing officer must make a written order no later than ten days after the hearing. The hearing officer will make no Findings of Fact. The hearing officer must order payment or refund of amounts owing to a party or parties, within a period of time not to exceed 45 days.
- e) The hearing officer's order must be stayed for 15 days from the date of issuance. During this period, either party may lodge a written objection to the order with the Rent Board. If the Rent Board receives such an objection within this specified time period, the order is automatically dissolved and the petitioning party may refile the petition under the standard hearing procedure. If no objection to the hearing officer's order is made within the specified time period, the order becomes final. The hearing officer's order is not subject to appeal to the Rent Board nor is it subject to judicial review.

### Comments

1. Mr. Joseph Grubb, Executive Director of the Rent Board, reports that approximately 1,100 tenant/landlord disputes are scheduled for hearings annually. Mr. Grubb advises that approximately 25 percent of these tenant/landlord disputes or approximately 275 disputes, would meet the criteria for being processed under the proposed expedited hearing procedures. According to Mr. Grubb, under the standard hearing procedures, the average time required to process a tenant/landlord petition from the date of filing to the rendering of a decision is approximately 75 days and involves approximately 6.4 hours of hearing officer time. Mr. Grubb anticipates that the expedited hearing procedure would reduce the number of days required to process tenant/landlord petitions to approximately 41 days and reduce the number of hearing officers hours by approximately 50 percent to 3.2 hours. Mr. Grubb notes that while there is currently no backlog in scheduled hearings, the Rent Board has experienced backlogs in the past. Mr. Grubb believes the expedited hearing procedure could potentially result in savings based on reduced hearing officer time, as well as help prevent future backlogs and make the hearing process, as a whole, more efficient.

2. As of the writing of this report, Mr. Grubb was unable to provide an estimate as to what, if any, cost savings would be realized as a result of the expedited hearing procedure.

### Recommendation

Approval of the proposed ordinances is a policy matter for the Board of Supervisors.





Item 8 - File 47-91-16

**Note:** This item was continued to the Call of the Chair at the Economic and Social Policy Committee meeting of January 14, 1992.

1. The proposed item is a hearing to consider parking facilities for commercial and sport fishermen at Fisherman's Wharf.

2. Ms. Veronica Sanchez of the Port reports that the Port is currently conducting ongoing negotiations on the availability of parking with the Fisherman's Wharf Merchants Association. However, the Port has not yet formulated any specific recommendations or proposals regarding the request for parking facilities for commercial and sport fishermen at Fisherman's Wharf. Ms. Sanchez therefore reports that the Port has requested that the proposed hearing be continued to the Economic and Social Policy Committee meeting of May 12, 1992.



Item 9 - File 171-92-1

1. The following item is a hearing to consider the City's intentions to construct an interchange at Islais Creek and I-280.

2. According to Mr. Nelson Wong of the Department of Public Work's (DPW) Bureau of Engineering, because there is currently no existing interchange on I-280 in the Evans Street - Islais Creek area, freeway and truck traffic which currently travels on Northbound 101, which want to access the Islais Creek area, must exit onto 3rd Street and then use local City streets. Therefore, Mr. Wong reports that the DPW is currently in the preliminary planning phase to consider the feasibility of developing an I-280 interchange in the Islais Creek area.

3. Although the construction of an interchange on I-280 in the Islais Creek area is under the jurisdiction of the State Department of Transportation (Caltrans), Mr. Wong reports that Caltrans has contracted with the DPW to perform the preliminary planning of the interchange project. Mr. Wong reports that because the proposed project would benefit the City, and because Caltrans has determined that the proposed interchange would not provide any additional benefit to the State, an agreement was negotiated between Caltrans and the City in the mid-1980s whereas Caltrans would provide 100 percent of the funding for preliminary planning work, 84 percent of funding for the construction and right-of-way purchases, and the City would pay for the remaining 16 percent of the construction and right-of-way purchases. Mr. Wong estimates that construction on the project would be approximately \$12.3 million, and right-of-way purchases would be approximately \$3 million, for a total of approximately \$15.3 million. Therefore, the City's share of the construction and right-of-way purchases would be approximately \$2,448,000, and Caltrans would pay approximately \$12,852,000. As noted above, Caltrans has agreed to pay 100 percent of the preliminary planning work, which Mr. Wong estimates would cost approximately \$510,000. Caltrans has also agreed to pay for 100 percent of the design work, but Mr. Wong indicates that the DPW has not yet entered this phase.

4. Mr. Wong states that there has been local opposition from citizens in the Bayview area at a public hearing on the proposed interchange project. Mr. Wong states that the issues which have been raised are the following:

- Truck traffic still may use the 3rd Street exit from Northbound 101 regardless of whether or not there was an additional interchange built on I-280;

- Truck traffic may use the Army Street exit from I-280, which is located in close proximity to the proposed interchange in the Islais Creek area, so there may be no need for an additional interchange;

- The proposed interchange would force the dislocation of auto wrecking and/or junk yard businesses in the Islais Creek area. As noted above, \$3 million is estimated for the right-of-way purchases.

5. Mr. Wong therefore reports that because of this public opposition, the DPW anticipates that this hearing at the Economic and Social Policy Committee meeting may provide the DPW with direction on whether or not to continue with this interchange project.

6. Mr. Bond Yee of the Department of Parking and Traffic (DPT) reports that although the project was discussed for many years, the proposed interchange project was given special attention when the homeporting of the U.S.S. Missouri in the Hunters Point shipyard was also being considered by the City. Mr. Yee indicates that an additional interchange was being discussed as a measure to provide better access to the Hunters Point area to attract homeporting to the City, and also to relieve the projected increase in traffic onto 3rd Street. However, Mr. Yee indicates that since homeporting did not occur, the need for an additional interchange is marginal. In addition, according to Mr. Yee, there is currently a regulation on 3rd Street which prohibits trucks which weigh in excess of 5.5 tons, and the DPT has recently upgraded and added additional signs in the 3rd Street area which indicate these weight requirements. According to Mr. Yee, the Police Department has also currently increased enforcement of this regulation along 3rd Street.

Item 10 - File 206-92-1

1. This item is a hearing to consider the San Francisco Housing Authority's procedure for disbursements of funds to tenant groups for resident-management training.

2. Mr. David Gilmore, Director of the Housing Authority, reports that resident-management training funds (Technical Assistance Grants) are allocated to Resident Associations (tenant groups) directly by the Department of Housing and Urban Development (HUD). According to Mr. Gilmore, the Housing Authority exercises no control over these funds. Mr. Gilmore advises that Resident Associations can submit applications to HUD for funding on the following two levels: (1) an initial "mini-grant" (\$40,000), which would be used by the Resident Associations to provide training for the formulation, creation, and development of a board to take on management responsibilities and (2) a supplemental grant (\$60,000), which would be used for additional training to assist the Resident Associations to implement their on-going management plans.

3. Mr. Gilmore advises that recently five Resident Associations, Holly Court, Sunnydale, Robert B. Pitts, Alemany and Hunters View applied for "mini-grants" from HUD. Of these five Resident Associations, only two (Alemany and Hunters View) received approval for grant monies in the amount of \$40,000 each. Mr. Gilmore reports that the Housing Authority has an interest in supporting all five of these Resident Associations in their efforts to establish resident-management of their respective housing developments. As such, Mr. Gilmore advises that the Housing Authority, in the Fall of 1991, made a commitment to provide \$40,000 each to Holly Court, Sunnydale and Robert B. Pitts for a total of \$120,000, in order to permit these Resident Associations to proceed with their plans to acquire resident-management training for the formulation and development of a board to assume management responsibilities. Mr. Gilmore states that the specific source of funds for the \$120,000 has not, as yet, been identified, but the monies will come from one or a combination of sources including HUD monies, rent, and interest income. Mr. Gilmore advises that the Housing Authority intends to allocate the funds to the three Resident Associations in accordance with their work plans. Holly Court, Sunnydale and Robert B. Pitts would be required to follow the guidelines and regulations established by HUD for the use of these funds for resident-management training purposes. Mr. Gilmore notes that the Housing Authority has not, at this time, made any further financial commitment, beyond the \$40,000 each for the three Resident Associations, to fund additional training to assist these Resident Associations in implementing their on-going management plans.

4. Mr. Gilmore reports that once the above-noted Resident Associations have completed their training and have viable management organizations in place, the Housing Authority would contract with these Resident Associations to manage their respective housing developments, thereby removing the Housing Authority from its responsibility for the day-to-day operations management of these housing developments. However, the Housing Authority would continue to maintain oversight responsibility for these housing developments.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Item 11 - File 284-92-2

1. This item is a hearing to consider the Sunset Report of the Human Rights Commission (HRC) pertaining to the City's Minority/Women/Local Business Utilization Ordinance (MBE/WBE/LBE Ordinance II) in accordance with the provisions of Chapter 12D of the San Francisco Administrative Code. Chapter 12D.15(E) of the Administrative Code, with reference to the MBE/WBE/LBE Ordinance II, specifies that "This Ordinance shall expire June 30, 1992, unless the Commission, after conducting public hearings, finds that the purposes identified in Section 12D.3 have not yet been achieved, in which case it shall certify said finding to the Board of Supervisors no later than 120 days prior to the expiration date. Thereafter, the Board of Supervisors may extend the Ordinance for additional three-year periods."

2. The HRC transmitted the Sunset Report to the Board of Supervisors under a transmittal letter dated February 28, 1992. In the letter of transmittal, the HRC states it strongly recommends that the Board of Supervisors vote to extend the MBE/WBE/LBE ordinance beyond its present expiration date of June 30, 1992, because the purposes identified in Section 12D.3 of the Ordinance have not been achieved. The letter of transmittal states further that the preponderance of testimony and statistical data gathered "clearly show that while the City has made progress since the current ordinance became effective in July 1989, MBEs and WBEs continue to be severely under-represented in the City's contracts, in disproportionate relation to their availability."

3. The HRC in its letter of transmittal to the Board of Supervisors also recommends that the Board vote to extend the Ordinance for a five-year period.

4. The Sunset Report contains statistical data and a digest summary of written and oral testimony from 83 sources received by the HRC at hearings held on January 16, January 23, and February 13, 1992.

Comments

1. The HRC in its letter of transmittal to the Board of Supervisors recommends, as previously stated, that the MBE/WBE/LBE Ordinance II be extended for a five-year period. However, Section 12D.15(E) of the Ordinance provides that the Board of Supervisors may extend the Ordinance for additional three-year periods following certification to the Board of Supervisors by the HRC that the purposes of the ordinance have not yet been achieved.

2. The Sunset Report, as previously stated, contains both statistical data and summaries of written and oral testimony. To facilitate evaluation of the statistical data, we recommend that future reports show in a single chart or on a single page, the results of statistical significance tests of the various industries and professions. Further, a single summary of the 83 individual testimonial statements, listing, for example, recurring themes of discrimination or certain problems MBE/WBE firms encounter in contracting with the City, would facilitate evaluation.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 12 - File 284-92-3

1. This item is a hearing to consider the City and County of San Francisco Minority/Women/Local Business Utilization Ordinance (MBE/WBE/LBE Ordinance II) Fiscal Year 1990-91 Progress Report for the period July 1, 1990 through June 30, 1991, prepared by the Human Rights Commission (HRC). Section 12.D15 of the Ordinance requires that the HRC submit by March 1st of each fiscal year subject to the Ordinance an annual report to the Mayor, the Board of Supervisors, and the Chief Administrative Officer on the progress of the City toward the goals stated in Section 12D.3 of the Ordinance. Also to be included in the annual report are the identification of problems and specific recommendations for: (1) discontinuing the race-or gender-conscious bid preferences in those cases where the bid preferences have remedied the identified discrimination against MBEs and WBEs; and (2) improving the City's performance in remedying the identified discrimination against MBEs and WBEs.

2. The MBE/WBE/LBE Ordinance II, which became effective July 1, 1989, provides a five, seven and one-half, or 10 percent bid preference to a potential contractor or joint venture depending on whether the contractor is a certified MBE, WBE, or LBE, or is a joint venture containing a certain percentage of participation by MBEs/WBEs/LBEs in industries where the disparity between contract dollars awarded to MBE/WBEs and the available number of MBE/WBEs is determined to be statistically significant and not attributable to chance. The Ordinance further provides for City-wide goals for MBEs (by ethnic group) and WBEs for each industry in which a bid preference is specified.

3. The Ordinance will expire on June 30, 1992, unless the HRC, after conducting public hearings, finds that the purposes of the Ordinance have not been achieved. Based on such a finding, the Board of Supervisors may extend the Ordinance for an additional three-year period.

Scope of the Report

The Report compares MBE/WBE participation by industry during FY 1990-91 with FY 1989-90 and FY 1987-88. The FY 1990-91 and FY 1989-90 data in the Report were generated by the HRC's computerized reporting system. The HRC did not produce a report for FY 1988-89.

The Report provides an analysis of City contracts and the MBE/WBE participation in such City contracts and includes discussions of 1) departmental performance; 2) the certification process and a breakdown of "certified" and "registered" firms; 3) procedures for waivers; 4) outreach, technical assistance and good faith efforts; 5) and problems in making good faith efforts.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Citywide Statistics

The following chart summarizes the findings of the FY 1990-91 Progress Report prepared by the HRC regarding MBE and WBE participation levels by industry for certified MBEs and WBEs. The Report includes a comparison of Citywide MBE/WBE participation during FY 1990-91 with FY 1989-90 and FY 1987-88.

**CONTRACTS AWARDED TO CERTIFIED<sup>1</sup> MBEs/WBEs**  
*By Industry and Dollar Amount*

<u>Industry</u>	<u>FY</u> <u>1987-88</u>	<u>FY</u> <u>1989-90</u>	<u>FY</u> <u>1990-91</u>	<u>FY<sup>2</sup></u> <u>1990-91 %</u>
Construction	\$8,592,246	\$2,968,223	\$12,083,622	19.0
Equipment and Supplies	4,986,542	6,995,941	12,953,651	10.6
General Services	1,024,495	1,098,362	2,051,409	2.3
Professional Services:				
Architecture/Engineering	2,413,888	471,062	487,228	4.6
Computer Systems	216,390	274,476	242,000	3.8
Legal	0	128,000	1,249,428	36.3
Medical Services	1,615,850	26,400	17,750	0.1
Management Consulting	262,856	77,398	35,100	4.5
Miscellaneous	<u>342,395</u>	<u>0</u>	<u>2,056,613</u>	<u>6.6</u>
<b>TOTAL</b>	<b>\$19,454,662<sup>3</sup></b>	<b>\$12,039,862<sup>3</sup></b>	<b>\$31,176,801<sup>3</sup></b>	<b>9.0</b>

The following chart summarizes the findings of the FY 1990-91 Progress Report prepared by HRC for both certified and registered MBEs and WBEs by industry.

<sup>1</sup> Certified MBE/WBE firms are economically disadvantaged local firms that have been certified as such by the HRC. Registered MBE/WBE firms are owned by minorities or women but do not qualify to be certified under the ordinance because they are not local firms.

<sup>2</sup> Percentage of MBE/WBE City contract amounts to total City contract amounts.

<sup>3</sup> Erroneously shown as \$18,430,167; \$11,769,862; and \$31,176,800, respectively, in Chart 3 on page eight of the Progress Report.

**CONTRACTS AWARDED - CERTIFIED AND REGISTERED<sup>1</sup> MBEs/WBEs  
 By Industry and Dollar Amount**

<b>Industry</b>	<b>FY 1987-88</b>	<b>FY 1987-88%*</b>	<b>FY 1989-90</b>	<b>FY 1989-90%*</b>	<b>FY 1990-91</b>	<b>FY 1990-91%*</b>
Construction	\$18,834,674	22.0	\$21,621,317	4.3	\$23,072,359	36.2
Equipment and Supplies	11,288,345	14.0	9,792,428	8.6	15,455,701	12.7
General Services	1,091,000	1.2	1,894,044	1.6	2,879,041	3.3
Professional Services:						
Architecture/						
Engineering	5,673,180	30.0	1,742,059	7.8	572,204	5.4
Computer Systems	216,390	9.0	346,476	7.3	339,180	5.3
Legal	0	0.0	199,000	9.9	1,249,428	36.3
Medical Services	1,615,850	86.0	1,215,674	2.1	981,692	7.6
Management						
Consulting	262,856	2.0	239,896	14.7	160,100	20.3
Miscellaneous	<u>742,655</u>	4.5	<u>980,656</u>	2.5	<u>2,569,997</u>	<u>7.5</u>
<b>TOTAL</b>	<b>\$39,724,950</b>		<b>\$38,031,550</b>		<b>\$47,279,702</b>	<b>13.6</b>

**Comments**

1. As previously stated, Section 12D.3 of the Ordinance requires that the annual report include recommendations for "improving the City's performance in remedying the identified discrimination against MBEs and WBEs." However, the FY 1990-91 Progress Report includes no such recommendations from the HRC. Rather, beginning on page 46 of the Progress Report, a section titled "Problems in Making Good Faith Efforts" contains statements from City departments in response to HRC's request that departments "identify specific problems they had experienced in making good faith efforts on contracts not subject to the bid preferences of the Ordinance and to suggest any possible solutions or recommendations."

<sup>1</sup> Certified MBE/WBE firms are economically disadvantaged local firms that have been certified as such by the HRC. Registered MBE/WBE firms are owned by minorities or women but do not qualify to be certified under the ordinance because they are not local firms.

\* Percentage of MBE/WBE City contract amounts to total City contract amounts.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



2. Mr. Edwin Lee, Director of the Human Rights Commission, reports that the HRC endorses the recommendations and suggestions made by the departments. Further, with respect to those recommendations and suggestions, the Progress Report states that "The majority of the problems cited have been, or are being, addresses (sic) by the HRC and/or the City." However, the Budget Analyst believes that the intent of the MBE/WBE/LBE Ordinance II with respect to recommendations in accordance with the previously cited Section 12D.3 is that a set of recommendations be presented directly from the HRC to the Board of Supervisors, as was done in the FY 1989-90 Progress Report.

3. Mr. Lee has provided the Budget Analyst with a memorandum from the MBE/WBE/LBE Community Advisory Committee to the Human Rights Commission. The memorandum contains three recommendations for amending the existing MBE/WBE/LBE Ordinance II, as cited below, and urges the HRC to adopt the recommendations.

- a. That the City adopt a Citywide race-neutral prompt payment program which establishes a Citywide policy requiring all departments to pay contractors within 60 days of receipt of invoice. If the City fails to pay the contractor within 60 days, the City shall pay the contractor a one percent (1%) penalty.
- b. That "graduated"\* MBEs/WBEs receive a bid preference to enable them to better compete with large LBEs, without disadvantaging small MBEs/WBEs.
- c. That all City departments provide the HRC with timely information on contract modifications.

The Human Rights Commission adopted the recommendations at its meeting of April 23, 1992.

4. The Progress Report would provide more meaningful and more easily accessible information if two or more data types were combined into a single chart. For example, Chart 3 on page 8 of the Progress Report shows the dollar value of contracts awarded to certified MBEs/WBEs for fiscal years 1987-88, 1989-90, and 1990-91. If the absolute dollar values in each of the industries cited were accompanied by the percentages attained by MBEs/ WBEs, the chart would be much more useful.

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\* "Graduated" MBEs/WBEs are firms that were previously certified as such but have subsequently been decertified because they no longer meet the "economically disadvantaged" requirements.

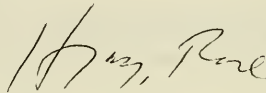


Memo to Economic and Social Policy Committee  
April 28, 1992 Special Economic and Social Policy Committee Meeting

5. We note that the top five departments in terms of percentage of contracts and in terms of dollars awarded to MBEs and WBEs are as follows:

<u>Percentage of Contract Dollars</u>		<u>Contract Dollar Amounts</u>	
Board of Supervisors	29.5% *	Public Works	\$10,895,369
Fire Department	24.4%	DPH/SF General	\$4,494,398
Port	21.0%	Airport	\$3,703,663
Public Works	19.4%	PUC/Muni	\$2,260,493
Art Commission	16.0%	PUC/Hetch Hetchy	\$1,396,020

\*These include contracts for annual audit of the Controller's books and Budget Analyst services. It should be noted that 40.6 percent of the contract for Budget Analyst services is allocated to certified MBE/WBE firms.

  
Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Alioto  
Supervisor Conroy  
President Shelley  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Adelle Foley  
Barbara Kolesar  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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TUESDAY, MAY 12, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

CLERK: MARY L. RED

REGULAR CALENDAR

1. File 114-92-1. [Building Code] Resolution endorsing those changes and providing findings as to the local conditions requiring changes of the State Building Code for buildings, as required by California Health and Safety Code; companion measure to File 114-92-1.1. (Department of Public Works)  
(Continued from 3/24/92)

ACTION:

2. File 114-92-1.1. [Building Code] Ordinance amending the Building Code by amending Sections 104(b), 202(h), 204(h), 204(i), 209, 301(b), 301(c), 302(d), 303(a), 303(m), 306(a), 307(d), 319(a), 405(n), 502, 503(a), 505(e), 510(b), Table No. 6.1, 705, 1001, 1102(d), 1201, 1204, 1205(a), 1205(c), 1210(a), 1214, 1214.1, 1704(b), 2004(c), 2303(a), 2313(c), 2516(c), 2516(g), 3001(a), 3005(a), 3006(a), 3303(a), 3303(c), 3304(i), 3306(b), 3306(m), 3306(o), 3306(t), 3325(i), 3325(l), 3801(d), 4306(a), 4306(n), 4706(c), 5101, 6003, 7201 and 7203(c), by adding Sections 104(i), 204(j), 216 and 504(e) and by deleting Sections 328, 1215 and 1233; companion measure to File 114-92-1.  
(Department of Public Works)  
(Continued from 3/24/92)

ACTION:

3. File 114-92-3. [Building Code] Ordinance amending Part II, Chapter 1 of the Municipal Code (Building Code), by adopting by reference the 1991 Uniform Building Code, as amended by the California Building Code, and making applicable to it all previously adopted San Francisco amendments to the California Building Code; effective date of July 1, 1992. (Department of Public Works)

ACTION:

4. File 125-92-1. [Housing Code] Resolution endorsing those changes and providing findings as to the local conditions requiring changes of the State Housing Code for buildings, as required by California Health and Safety Code; companion measure to File 125-92-1.1. (Department of Public Works) (Continued from 3/24/92)

ACTION:

5. File 125-92-1.1. [Housing Code] Ordinance amending Part II Chapter XII of the San Francisco Municipal Code (Housing Code) by amending Sections 206, 504, 505, and 1217 to include self-closers on certain hotel doors as a retroactive requirement, to properly place an exception to passageway lighting in the subsection on artificial light, to clarify hotel bath and toilet standards, and to provide for adopting standards for residential energy conservation. (Department of Public Works)  
(Continued from 3/24/92)

ACTION:

6. File 125-92-2. [Housing Code] Ordinance amending Part II, Chapter XII of the San Francisco Municipal Code (Housing Code), by adopting by reference the 1991 Uniform Housing Code, as amended by the California Housing Code, and making applicable to it all previously adopted San Francisco amendments to the California Housing Code; effective date of July 1, 1992. (Department of Public Works)

ACTION:

7. File 120-92-1. [Plumbing Code] Ordinance amending Part II, Chapter VII of the San Francisco Municipal Code (Plumbing Code), by adopting by reference the 1991 Uniform Plumbing Code, as amended by the California Plumbing Code, and making applicable to it all previously adopted San Francisco amendments to the California Plumbing Code; effective date of July 1, 1992. (Department of Public Works)

ACTION:

8. File 122-92-1. [Mechanical Code] Ordinance amending Part II, Chapter XIV of the San Francisco Municipal Code (Mechanical Code), by adopting by reference the 1991 Uniform Mechanical Code, as amended by the California Mechanical Code, and making applicable to it all previously adopted San Francisco amendments to the California Mechanical Code; effective date of July 1, 1992. (Department of Public Works)

ACTION:

9. File 97-92-22. [Rent] Ordinance amending the San Francisco Administrative Code by amending Section 37.8 thereof to provide that tenants may file petitions on the ground that a rent increase was null and void pursuant to Section 37.3 and that hearing officers may order the payment or refund of such increase to tenants. (Supervisors Britt, Kennedy, Maher)

ACTION:

10. File 107-89-15. Hearing to consider procedures and regulations concerning foster children, including placement of these children outside of San Francisco and the ramifications of Senate Bill 1177 regarding adoption of children. (Supervisor Kennedy)  
(Continued from 1/28/92)

ACTION:

11. File 47-91-16. Hearing to consider parking facilities for commercial and sport fisherman at Fisherman's Wharf. (Supervisor Ward)  
(Continued from 4/28/92)

ACTION:

12. File 284-92-2. Hearing to consider Human Rights Commission Sunset Report regarding the MBE/WBE/LBE Ordinance. (Supervisor Kennedy)  
(Continued 4/28/92)

ACTION:

13. File 284-92-3. Hearing to consider Human Rights Commission Progress Report FY 1990-91, regarding the MBE/WBE/LBE Ordinance. (Supervisor Kennedy) (Continued from 4/28/92)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE



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## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 8, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** May 12, 1992 Economic and Social Policy Committee Meeting

Items 1 and 2 - File 114-92-1 and 114-92-1.1

**Note:** These items were continued from the March 24, 1992 Economic and Social Policy Committee Meeting.

**Department:** Department of Public Works (DPW),  
Bureau of Building Inspection (BBI)

**Items:** Item 1 (File 114-92-1) is a proposed resolution endorsing changes and providing findings as to the local conditions requiring changes of the State Building Code for buildings, as required by the California Health and Safety Code.

Item 2 (File 114-92-1.1) is the corresponding proposed ordinance amending Part II, Chapter I, of the San Francisco Municipal Code (Building Code) by amending Sections: 104(b), 202(h), 204(h), 204(i), 209, 301(b), 301(c), 302(d), 303(a), 303(m), 306(a), 307(d), 319(a), 405(n), 502, 503(a), 505(e), 510(b), Table No. 6.1, 705, 1001, 1102(d), 1201, 1204, 1205(a), 1205(c), 1210(a), 1214, 1214.1, 1704(b), 2004(c), 2204(c), 2303(a), 2313(c), 2516(c), 2516(g), 3001(a), 3005(a), 3006(a), 3303(a), 3303(c), 3304(i), 3306(b), 3306(m), 3306(o), 3306(t), 3325(i), 3325(l), 3801(d), 4306(a), 4306(n), 4706(c), 5101, 6003, 7201, and 7203(c), by adding Sections 104(i), 204(j), 216 and 504(e) and by deleting Sections 328, 1215 and 1233.

DOCUMENTS DEPT.

MAY 12 1992

SAN FRANCISCO

**Description:**

BBI proposes to make editorial and technical changes to the City's Building Code in order to correct errors in the Code and to provide for administrative and regulatory conditions that currently exist. Such changes would further distinguish the City's Building Code from the State's Building Code.

The California Health and Safety Code allows local Building Codes to differ from the State Building Code if special local conditions exist. However, the State Health and Safety Code requires cities and counties to furnish reasons to the State Building Standards Commission specifying those local conditions, which require the local Building Code to be different from the State Building Code. BBI has furnished 33 such reasons in the proposed resolution (File 114-92-1) endorsing the changes. A list of the 33 reasons is contained in the file.

The corresponding proposed ordinance (File 114-92-1.1) would make the following amendments to the Building Code:

- BBI proposes amendments to Sections 302 (d), 405 (g.1), 419(b.1), 419 (b.2) to implement provisions of the Reclaimed Water Use Ordinance.
- Establish a Code Advisory Committee. The Code Advisory Committee, consisting of representatives of the building industry, would review proposed code changes and make recommendations to the Superintendent of Building Inspection on revisions to the City's Building Code. This proposed change would codify BBI's present existing Ad Hoc Code Advisory Committee, which consists of 13 representatives of the building industry.
- Other minor editorial and technical changes, to account for changes in wording and organization in the State Code, would be made.

**Comment:**

According to Mr. William Shock of DPW, the Ad Hoc Code Advisory Committee has convened to review the proposed Code changes and recommends the proposed legislation, including the adoption of the 1991 Uniform Building Code (Item 3, File 114-92-3 of this report), which, if approved, will incorporate the proposed resolution (File 114-92-1) and the proposed ordinance (File 114-92-1.1).

**Recommendations:** Approve the proposed resolution (Item 1, File 114-92-1) and the proposed ordinance (Item 2, File 114-92-1.1).

Items 4 and 5 - File 125-92-1 and 125-92-1.1

**Note:** These items were continued from the March 24, 1992 Economic and Social Policy Committee Meeting.

**Department:** Department of Public Works (DPW),  
Bureau of Building Inspection (BBI)

**Items:** Item 4 (File 125-92-1) is a proposed resolution endorsing changes and providing findings as to the local conditions requiring changes of the State Housing Code for buildings, as required by the California Health and Safety Code.

Item 5 (File 125-92-1.1) is the corresponding proposed ordinance amending Part II, Chapter XII, of the San Francisco Municipal Code (Housing Code) by amending Sections 206, 504, 505 and 1217.

**Description:** BBI proposes to make editorial and technical changes to the City's Housing Code in order to correct errors in the Code and to provide for administrative and regulatory conditions that currently exist. Such changes would further distinguish the City's Housing Code from the State's Housing Code.

The California Health and Safety Code allows local Housing Codes to differ from the State Housing Code if special local conditions exist. However, the State Health and Safety Code requires cities and counties to furnish reasons to the State Building Standards Commission specifying those local conditions, which require the local Housing Code to be different from the State Housing Code. BBI has furnished 33 such reasons in the proposed resolution endorsing the changes.

The corresponding proposed ordinance (File 125-92-1.1) would make the following amendments to the Housing Code:

- A misplaced paragraph, relating to an exception for apartment buildings containing not more than six apartments, would be moved to Section 504 (g) from Section 505(f). This would have no impact on BBI's present operation.

- The number of guest rooms per sanitary restroom facilities per floor, in hotels where guest rooms do not contain such sanitary facilities, would be increased. The number of sanitary facilities required would vary according to the number of guest rooms per floor. For example, the existing Housing Code, for hotels where guest rooms do not each contain sanitary restroom facilities, requires a minimum of three sanitary facilities per floor for floors with between 12 and 21 guest rooms. The proposed new Housing Code provision for three sanitary facilities would increase the number of guest rooms per floor to between 21 and 30.
- A paragraph requiring the Superintendent of BBI to consider the standards of the California Plan for Residential Conservation Service in developing and amending rules and guidelines that implement the provisions of the San Francisco Housing Code. This proposed change would have no effect on BBI's present operation.
- Other minor editorial changes in Section 206, to account for changes in wording and organization in the State Code, would be made.

**Comments:**

1. According to BBI, the proposed resolution (File 125-92-1) is required because the proposed changes to the City's Housing Code with respect to sanitary facilities in hotels would further distinguish the City's Housing Code from the State Housing Code. Mr. Don Chan of the Housing Inspection Division reports that the State's Housing Code was recently changed, which decreased the required number of guest rooms per sanitary facilities per floor in hotels. This change, according to Mr. Chan, would have forced many of the City's residential hotels to increase the number of sanitary restroom facilities on each hotel floor. Rather than enforce a Code provision with which residential hotel owners would not be able to comply, given the existing conditions and complexity of residential hotel buildings in San Francisco, the Bureau is proposing to change the City's Housing Code provisions on sanitary facilities back to the old requirements of the State Housing Code. Therefore, pursuant to the State Health and Safety Code, the City is required, through a resolution, to endorse such changes and make findings as to the reasons why local conditions require the local Housing Code to be different from the State Housing Code.

2. According to Mr. William Shock of DPW, the Ad Hoc Code Advisory Committee, consisting of various representatives of the building industry, has convened to review the proposed Code changes and recommends the proposed legislation, including the adoption of the 1991 Uniform Housing Code (Item 6, File 125-92-2 of this report), which, if approved, will incorporate the proposed resolution (File 125-92-1) and the proposed ordinance (File 125-92-1.1). The Ad Hoc Code Advisory Committee provides input and recommendations to the Bureau on proposed Building and Housing Code changes and policies and would become codified with the proposed amendments to the Building Code.

**Recommendations:** Approve the proposed resolution (Item 4, File 125-92-1) and the proposed ordinance (Item 5, File 125-92-1.1).





Items 3, 6, 7, and 8 - Files 114-92-3, 125-92-2, 120-92-1, and 122-92-1

**Department:** Department of Public Works (DPW),  
Bureau of Building Inspection (BBI)

**Items:** Items 3, 6, 7, and 8 (Files 114-92-3, 125-92-2, 120-92-1, and 122-92-1) are proposed ordinances that would adopt by reference the 1991 versions of the below listed codes and make applicable to each all previously adopted San Francisco amendments.

Uniform Building Code, as amended by the California Building Code (File 114-92-3)

Uniform Housing Code, as amended by the California Housing Code (File 125-92-2)

Uniform Plumbing Code, as amended by the California Plumbing Code (File 120-92-1)

Uniform Mechanical Code, as amended by the California Mechanical Code (File 122-92-1)

According to the proposed ordinances, these amendments would be effective as of July 1, 1992.

**Description:** The California Building Standards Commission periodically publishes a new California Building Standards Code that contains construction standards for the various construction disciplines based upon nationally developed model codes, such as the Uniform Building Code, Uniform Housing Code, the Uniform Plumbing Code, and the Uniform Mechanical Code. These State Codes become applicable throughout the State 180 days after publication. Local jurisdictions may deviate from the State-wide standards by making specific findings pursuant to California Health and Safety Code Section 17958.5, justifying deviations based upon local conditions.

In October of 1989, the Board of Supervisors repealed the then existing San Francisco Building, Housing, Plumbing and Mechanical Codes and adopted new Codes based on the 1988 Edition of the Uniform Building, Housing, Plumbing, and Mechanical Codes, as amended by the State, and with deviations based upon local conditions.

Additional amendments to the 1988 San Francisco Building, Housing, Plumbing, and Mechanical Codes, with findings as to local conditions as required by California Health and Safety

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Code Section 17958.5, have been subsequently adopted by the Board of Supervisors since October of 1989. As reflected in Items 1 and 2 (Files 114-92-1 and 114-92-1.1) and Items 4 and 5 (Files 125-92-1 and 125-92-1.1) of this report, if these items are approved, additional findings as to the local conditions requiring further amendments to the Building and Housing Code would be incorporated.

The proposed ordinances adopt by reference the 1991 Editions of the Uniform Building, Housing, Plumbing, and Mechanical Codes, as amended by the State, together with the applicable findings of local conditions required by the California Health and Safety Code.

The effective date of the proposed new Code editions would be July 1, 1992.

**Comment:**

According to Mr. Larry Litchfield, Superintendent of BBI, the changes in the 1991 Edition of the subject Codes are primarily technical in nature, are designed to improve the life/safety requirements of the Codes, and would have little if any fiscal impact on the City. Mr. Litchfield further reports that the most significant change in the Codes is the consolidation and extension of the handicapped provisions.

**Recommendation:** Approve the proposed ordinances.

Item 9 - File 97-92-22

1. The proposed ordinance would amend the San Francisco Administrative Code by amending Section 37.8 thereof to provide that tenants may file petitions on the ground that a rent increase was null and void pursuant to Section 37.3 and that hearing officers may order the payment or refund of such increases to tenants.

2. Section 37.3 of the Administrative Code stipulates specific circumstances under which a landlord may impose a rent increase and places limitations on a tenant who subleases his or her rental unit. According to Section 37.3 of the Administrative Code, the Residential Rent Stabilization and Arbitration Board (Rent Board) is responsible for establishing an annual rent increase which does not exceed a tenant's base rent by more than 60 percent of the Consumer Price Index (CPI) for the Bay Area, and in no event can the rent increase be less than four percent or greater than seven percent. Section 37.3 of the Administrative Code currently establishes a hearing process for tenants. The proposed ordinance would amend Section 37.3 of the Administrative Code to allow tenants to request arbitration hearings specifically where a landlord "imposed a nonconforming rent increase which is null and void," pursuant to Section 37.3 of the Administrative Code, and allow hearing officers to order the payment or refund of such increase to tenants. Therefore, the proposed ordinance would authorize the Rent Board to require the landlord to make repayments to tenants where a rent increase exceeds the annual allowable rent increase, which is currently four percent.

3. A determination of whether the rent increase was "null and void" would be made through a hearing process which has already been established by the existing provisions of Section 37.8 of the Administrative Code. The hearing process outlined in Section 37.8 of the Administrative Code includes the following provisions: (1) gives authority to the Rent Board and designated hearing officers to arbitrate rental adjustments, (2) provides guidelines and procedures by which landlords and tenants can request arbitration of rental adjustments, (3) provides guidelines by which landlords and tenants can file a petition for a hearing, (4) stipulates the procedures to be followed by the hearing officer in developing findings of fact and (5) provides procedures by which a landlord or tenant can appeal the decision of a hearing officer.

Comments

1. According to Mr. Joe Grubb of the Rent Board, although it has long been the practice to make awards to tenants for rent overpayments that have been determined to exceed the lawful rent permitted under Section 37.3 of the San Francisco Administrative Code, a recent State Court of Appeals decision found that under the existing provisions of the San Francisco Administrative Code, the Rent Board is not authorized to require the landlord to make awards to tenants, unless there is specific language within the City's Administrative Code which states that the rent increase was found to be "null and void." Therefore, the proposed ordinance would provide this language to the City's Administrative Code.

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2. Mr. Grubb indicates that since it is already the practice of the Rent Board to hold hearings to consider whether any rent overpayments have occurred, the proposed ordinance would not result in any fiscal impact to the Rent Board.

**Recommendation**

Approve the proposed resolution.

Item 10 - File 107-89-15

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of January 28, 1992.

This item is a hearing to consider the procedures and regulations concerning foster children, including the placement of foster children outside of San Francisco County, and to consider the effects of Senate Bill No. 1177 on the adoption of children.

The Department of Social Services (DSS) reports that it is DSS's policy to place children in homes as close to their own families as possible. However, DSS advises that San Francisco's foster children are placed outside of the County for various reasons as follows:

- (1) Placing a child in the most appropriate foster home, based on the child's individual needs, sometimes necessitates placing children outside of San Francisco.
- (2) Many of the African American foster families who originally lived in San Francisco have moved out of the City. In such cases, it is often times determined to be in the child's best interests to move with the foster family.
- (3) DSS uses African American home finding agencies which serve the entire Bay Area and many of their approved homes are located in other Counties.
- (4) The number of families that could potentially provide foster care in San Francisco is limited due to the high cost of housing in the City which makes it difficult for families to afford the type of housing required to provide foster care. The type of housing required is regulated by State licensing rules which stipulate that certain housing requirements be met. These requirements include but are not limited to restrictions on bedroom size, number of children who can sleep in a bedroom, number of exits, fire/security bars, and which floor that the children can sleep on.
- (5) Placing a child with relatives, which DSS considers a priority, sometimes requires placing the child outside of San Francisco. According to DSS, as of April, 1992, of the 2,923 children currently placed in foster care, 54% reside with relatives, either inside or outside of San Francisco. Of all the 2,923 children in foster care, 77% are placed with a relative or in foster care in San Francisco.



Senate Bill 1177, which was originally authored by Senator Royce, established conditions under which foster parents must be given consideration, along with other potential adoptive families, to become the adoptive parents of a foster child. The bill was drafted in response to a specific case involving a foster family that cared for a child with Down's Syndrome for 1 1/2 years. Children's Home Society (CHS), the agency in charge of the adoption proceedings, did not consider that foster family when it sought a permanent placement for the child. As a result, the foster family sued CHS.

DSS reports that a "corrected" version of SB 1177 was drafted to be known as Senate Bill 2188 (SB 1177 was withdrawn by the author in favor of the new, "corrected" version, SB 2188). The new SB 2188 specified that it does not pertain to dependent children of juvenile court cases, and since DSS handles only such dependent children of juvenile court cases, SB 2188 (which replaces SB 1177) did not apply to DSS. DSS reports that Senator Royce's staff advised DSS that Senator Royce believes current laws governing public adoption agency activities already sufficiently address the issue of foster parent adoption. SB 2188 was signed into law in 1990.

### Comments

1. The total number of children that were in out-of-home placements within San Francisco and outside of San Francisco, as of December, 1991, according to ethnic breakdown, as provided by DSS, is as follows:

#### Placements Within San Francisco County

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group Homes</u>	<u>Legal Guardian</u>	<u>Legal Guardian</u>		<u>Total</u>
				<u>Relative</u>	<u>Relative</u>	
White	69	29	15	2	35	150
Hispanic	46	35	19	25	73	198
Black	300	157	112	100	767	1,436
Asian	25	17	12	1	18	73
Indian	6	1	1	0	1	9
Filipino	<u>4</u>	<u>5</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>17</u>
Total	450	244	162	130	897	1,883



**Placements Outside San Francisco County**

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group Homes</u>	<u>Legal Guardian</u>	<u>Legal Guardian Relative</u>	<u>Relative</u>	<u>Total</u>
White	102	29	3	6	81	221
Hispanic	77	24	7	4	46	158
Black	412	162	23	26	359	982
Asian	18	8	0	1	11	38
Indian	18	1	1	0	11	31
Filipino	<u>7</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>11</u>
Total	634	225	34	38	510	1,441

2. The DSS also reports that it has made, and is continuing to make certain efforts to recruit more African American foster and adoptive families in San Francisco, as follows:

- (a) Effective November 27, 1989, DSS reassigned recruitment responsibilities to a new Assistant Director, with foster children knowledge and experience in recruiting, training, certifying and supervising prospective foster and adoptive families. A \$400,000 Foster Care Reserve Fund was also established during 1990-91. DSS had proposed to develop a comprehensive recruitment plan for use of these reserve funds to increase the number of quality, culturally relevant foster homes in San Francisco and to increase the number of homes available for children freed for adoption. Ms. Ann O'Rielly of DSS advises that the \$400,000 subsequently reverted to the General Fund as a result of the City's projected budget shortfall and, as such, was not made available to the Department for the development of a recruitment plan.
- (b) DSS budgeted \$60,000 in its 1990-91 budget to be used by the Assistant Director for recruitment purposes. Of the \$60,000, \$35,000 was used for contract services to aid in the recruitment of African American foster and adoptive families. Of the remaining \$25,000, approximately \$10,000 was used to fund a Black Adoption Fair, held on May 4, 1991 and approximately \$15,000 was used for the development of recruitment materials targeted towards cultural and ethnic groups. DSS reports that the Fair, which was held at the Recreation Center for the Handicapped in San Francisco, was attended by staff from 15 counties and approximately 300 families. A total of 63 African American children from San Francisco who were available for adoption were in attendance. Of the 300 families in attendance at the Fair, 58 families indicated an interest in pursuing adoption of a San Francisco child.

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- (c) Ms. O'Reilly reports that the DSS budgeted \$104,862 in 1991-92 for foster care recruitment. The proposed budget for 1992-93 for foster care recruitment, which has been approved by the Social Services Commission and submitted to the Mayor's Office includes a total of \$103,122. A summary of the 1991-92 approved and 1992-93 requested budgets for foster care recruitment are as follows:

	1991-92 <u>Approved Budget</u>	1992-93 <u>Requested Budget</u>
Media advertising recruitment materials	\$1,450	\$2,900
Contracts		
Marketing Consultant, video, brochures	50,000	21,000
Adoption home studies	1,000	1,000
Foster Parent training	8,972	14,322
Adoption Fairs	5,750	6,500
Photographs of Foster children	8,000	8,000
Advertising display equipment/supplies	4,210	0
Other Equipment/computers/supplies	7,980	900
Home modifications, for licensing	16,500	16,500
Finders fees	1,000	7,000
Respite Care Services	0	25,000
Total	<u>\$104,862</u>	<u>\$103,122</u>

- (d) DSS issued a RFP, on June 15, 1990, to contract with a community-based agency with demonstrable expertise in recruiting African American foster and adoptive families. DSS reports that, as a result of the RFP process, Naomi Gray and Associates and Calvin Jones Jr. and Associates were selected to provide recruitment services. Both contracts were for a six-month period ending December 31, 1990. The contract with Naomi Gray and Associates was in the amount of \$21,000 and the contract with Calvin Jones Jr. and Associates is in the amount of \$14,000. Naomi Gray and Associates is a MBE/WBE firm and Calvin Jones Jr. and Associates is a MBE firm. DSS advises that, under these two contracts, the goal was to recruit 500 African American foster parents by December 31, 1990. 300 of the total 500 foster parents were to be recruited by Naomi Gray and Associates and the remaining 200 were to be recruited by Calvin Jones Jr. and Associates. According to DSS, the actual number of African American foster parents recruited under these two contracts was approximately 75 to 80.
- (e) DSS continues to use the services of private placement agencies such as the Black Adoption Placement and Research Center. In addition, DSS has identified organizations such as churches, ministerial alliances, and Black employee groups which have access to potential African American foster and adoptive families.

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- (f) DSS's recruitment staff participate in public events, the Annual Adoption Fair, street fairs, and community outreach activities at shopping malls and other public gatherings.

3. Foster care rates are set by the State. DSS advises that, based on a U.S. Supreme Court ruling, relatives are paid the same rate, to provide foster care, as are foster parents who are not relatives, providing that the child is eligible for Federal foster care funding. However under State law, relatives who provide foster care to children, who are eligible for County and/or State foster care funding only, cannot receive foster care funding for their services. However, these relatives would be eligible for AFDC. DSS reports that although a State bill to change this law was defeated last year, the Department is continuing to work with the State Legislature to get the law changed to provide that all relatives providing foster care would be eligible to receive the established foster care rate. The current foster care rates for long term placement are outlined below:

<u>Age of Foster Care Children</u>	<u>Monthly Base Rate</u>	<u>Monthly Rates At</u>		
		<u>Level I*</u>	<u>Level II*</u>	<u>Level III*</u>
0-4	\$345	\$694	\$835	\$977
5-8	375	494	588	683
9-11	400	529	624	717
12-14	444	588	683	776
15-18	484	641	741	834

\*The level of payment above the base rate is determined by the specific foster child's special needs, as related to emotional, social, developmental or medical problems.



Item 11 - File 47-91-16

**Note:** This item was continued at the Economic and Social Policy Committee meeting of April 28, 1992.

1. The proposed item is a hearing to consider parking facilities for commercial and sports fishermen at Fisherman's Wharf.

2. According to Mr. Michael Janis of the Port, sports fishermen at Fisherman's Wharf, which provide boat rentals for passengers for sports fishing, have raised concerns regarding the availability of free parking for their customers. Mr. Janis reports that the sports fishermen at Fisherman's Wharf feel economically disadvantaged because of competition from other marinas which also offer sports fishing, such as in Half Moon Bay, Sausalito, Emeryville and Berkeley. Mr. Janis also reports that the sports fishermen have indicated that if free parking were to be made available to passengers, the demand would increase for sports fishing at Fisherman's Wharf. Although the title of the proposed hearing states that the proposed item is a hearing to consider parking facilities for both commercial and sports fishermen at Fisherman's Wharf, according to Mr. Janis, the free parking issue has only been raised by sports fisherman, of which there are approximately 15 operators in the City.

3. Mr. Janis states that most parking meters in the area are for two hours only, which does not provide enough time for sports fishing. In addition, Mr. Janis indicates that currently one parking lot in the Fisherman's Wharf area, Anchorage Parking, located at the corner of Jefferson Street and Jones Street offers a sports fishermen's parking special of \$3.75 per car. However, the special \$3.75 flat rate ends at 4 pm, and some sports fishermen customers arrive back later than 4 pm, and therefore have to pay market rates. In general, sports fisherman leave at approximately 6:30 am and arrive back by 5:00 pm.

4. According to Mr. Janis, based upon negotiations between the Port, the Department of Parking and Traffic, the Fisherman's Wharf Merchants Association and Fishermen for a Better Wharf, several different options are currently being discussed. Based upon projections done by Fishermen for a Better Wharf on the number of sports fishing passengers annually, a maximum of 120 spaces would be required daily, which accounts for any increase in demand for spaces during peak seasons, and on average a maximum of 15,000 spaces would be required annually. Mr. Janis reports that the options which are being discussed are as follows:

- Removal of 120 meters in the Fisherman's Wharf area. This option may affect parking for merchants and other businesses in the area since these spaces would be available exclusively for sports fishermen. In addition, this option may be difficult to enforce, and there would be no guarantee that other people would not use these spaces. Mr. Janis reports that of the total of 120 meters, there are 69 meters in the area on Jefferson Street which are under the jurisdiction of the Port, and the remaining 51 meters would be under the jurisdiction of the Department of Parking and Traffic. The estimated annual revenues lost to the Port and the City's Off Street Parking Fund for the removal of the 120 meters would be a maximum of



approximately \$394,200 annually (0.25 cents for each 20 minutes for 120 meters), consisting of approximately \$167,535 in revenues lost for the City's Off-Street Parking Fund (51 meters) and \$226,665 for the Port (69 meters). This assumes that parking meters are monitored 12 hours daily in the Fishermen's Wharf area (approximately 7 am to 7 pm). As noted above, 120 meters daily would only be required during peak seasons, for approximately an eight hour period, but removal of these meters would prevent receiving any additional revenues during the non-peak season or after approximately 5 pm, when sports fishermen would not even be using these spaces. Therefore, it may not be necessary to remove a total of 120 meters to accommodate free parking for sports fishermen on average annually. Rather, 120 meters could be designated for use by sports fishermen for approximately an eight hour period during the peak periods. On an annual basis, this would result in a revenue loss of approximately \$262,800, consisting of \$111,690 in revenues lost for the City's Off-Street Parking Fund (51 meters) and \$151,110 in revenues lost for the Port (69 meters).

- Establish a decal or medallion program. This option would provide commercial and sports fishermen with decals or medallions in order for them to park for free at meters. Mr. Tim Johnson of the Department of Parking and Traffic reports that there would be administrative costs associated with providing decals or medallions, but the system could probably be implemented through the Department's existing parking permit system. However, as with the placard system for handicapped parking, it would be easy to forge or illegally sell medallions. Assuming 15,000 meters would be used annually by sports fishermen, this option would also result in a loss of revenues of approximately \$90,000 annually (15,000 meters annually at 0.25 cents for each 20 minutes meter for eight hours).

- Expand the existing special flat rate of \$3.75 (until 5 pm) for sports fishermen to other garages in the Fisherman's Wharf area. This option would require other parking facilities in the area to offer a parking rate special totalling approximately 15,000 spaces annually. As noted, most sports fishermen arrive back by 5 pm, so the option being considered would be to extend the hours until 5 pm. As noted above, however, sports fishermen are raising concerns regarding the availability of free parking, and therefore offering a reduced rate may not remedy their concerns. There is currently a 25 percent tax rate on gross receipts for all parking garages in San Francisco. There may be a potential loss of revenues from sports fishermen who would park in a special \$3.75 rate parking garage, who otherwise would pay market rate parking. However, the number of sports fishermen who currently pay for market rate parking is not known, and therefore the amount of potential revenues lost cannot be determined.

- Offer free parking for sports fishermen in garages in the Fishermen's Wharf area. As noted above, sports fishermen are raising concerns regarding the availability of free parking, and therefore this option would remedy their concern. Mr. Janis reports that parking garage owners who were willing to receive a special flat rate of \$3.75 and funding sources to subsidize the parking garage owners would have to be identified. Based on a daily flat rate of \$3.75 and approximately 15,000 spaces annually, the total annual cost of this option would be approximately \$56,250. Mr. Janis indicates that funding sources which have been



discussed have included private funding (through the sports fishermen or merchants), Port or City funds. In addition to the potential parking tax revenue loss which has been outlined above, additional costs for subsidizing free parking may be incurred by both the Port and the City.



Item 12 - File 284-92-2

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of April 28, 1992.

1. This item is a hearing to consider the Sunset Report of the Human Rights Commission (HRC) pertaining to the City's Minority/Women/Local Business Utilization Ordinance (MBE/WBE/LBE Ordinance II) in accordance with the provisions of Chapter 12D of the San Francisco Administrative Code. Chapter 12D.15(E) of the Administrative Code, with reference to the MBE/WBE/LBE Ordinance II, specifies that "This Ordinance shall expire June 30, 1992, unless the Commission, after conducting public hearings, finds that the purposes identified in Section 12D.3 have not yet been achieved, in which case it shall certify said finding to the Board of Supervisors no later than 120 days prior to the expiration date. Thereafter, the Board of Supervisors may extend the Ordinance for additional three-year periods."

2. The HRC transmitted the Sunset Report to the Board of Supervisors under a transmittal letter dated February 28, 1992. In the letter of transmittal, the HRC states it strongly recommends that the Board of Supervisors vote to extend the MBE/WBE/LBE ordinance beyond its present expiration date of June 30, 1992, because the purposes identified in Section 12D.3 of the Ordinance have not been achieved. The letter of transmittal states further that the preponderance of testimony and statistical data gathered "clearly show that while the City has made progress since the current ordinance became effective in July 1989, MBEs and WBEs continue to be severely under-represented in the City's contracts, in disproportionate relation to their availability."

3. The HRC in its letter of transmittal to the Board of Supervisors also recommends that the Board vote to extend the Ordinance for a five-year period.

4. The Sunset Report contains statistical data and a digest summary of written and oral testimony from 83 sources received by the HRC at hearings held on January 16, January 23, and February 13, 1992.

**Comments**

1. The Sunset Report, as previously stated, contains both statistical data and summaries of written and oral testimony. To facilitate evaluation of the statistical data, we recommend that future reports show in a single chart or on a single page, the results of statistical significance tests of the various industries and professions. Further, a single summary of the 83 individual testimonial statements, listing, for example, recurring themes of discrimination or certain problems MBE/WBE firms encounter in contracting with the City, would facilitate evaluation.

2. The Economic and Social Policy Committee at its meeting of April 28, 1992, directed the City Attorney to prepare legislation to amend the existing MBE/WBE/LBE Ordinance II as follows:

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- a. Extend the Ordinance for a five-year period effective July 1, 1992.
- b. Provide that the Director, Human Rights Commission, work with the Controller and representatives of City departments to establish a prompt payment policy requiring that MBEs, WBEs, and LBEs be paid by the City within 60 days of the date on which the City receives an invoice from an MBE, WBE, or LBE.
- c. Require that all City departments provide the HRC with timely information on contract modifications.

3. Mr. Harold Guetersloh of the Controller's Office reports that the City normally pays non-disputed, properly documented invoices within 60 days of receipt. Mr. Guetersloh further reports that the proposed prompt payment policy would have an insignificant or no impact on the City's finances.

4. Mr. Scott Emblidge of the City Attorney's Office reports that the amendments to the MBE/WBE/LBE Ordinance will also include minor cleanup changes.

Item 13 - File 284-92-3

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of April 28, 1992.

1. This item is a hearing to consider the City and County of San Francisco Minority/Women/Local Business Utilization Ordinance (MBE/WBE/LBE Ordinance II) Fiscal Year 1990-91 Progress Report for the period July 1, 1990 through June 30, 1991, prepared by the Human Rights Commission (HRC). Section 12.D15 of the Ordinance requires that the HRC submit by March 1st of each fiscal year an annual report to the Mayor, the Board of Supervisors, and the Chief Administrative Officer on the progress of the City toward the goals stated in Section 12D.3 of the Ordinance. Also to be included in the annual report are the identification of problems and specific recommendations for: (1) discontinuing the race-or gender-conscious bid preferences in those cases where the bid preferences have remedied the identified discrimination against MBEs and WBEs; and (2) improving the City's performance in remedying the identified discrimination against MBEs and WBEs.

2. The MBE/WBE/LBE Ordinance II, which became effective July 1, 1989, provides a five, seven and one-half, or 10 percent bid preference to a potential contractor or joint venture depending on whether the contractor is a certified MBE, WBE, or LBE, or is a joint venture containing a certain percentage of participation by MBEs/WBEs/LBEs in industries where the disparity between contract dollars awarded to MBE/WBEs and the available number of MBE/WBEs is determined to be statistically significant and not attributable to chance. The Ordinance further provides for City-wide goals for MBEs (by ethnic group) and WBEs for each industry in which a bid preference is specified. The Ordinance will expire on June 30, 1992, unless the HRC, after conducting public hearings, finds that the purposes of the Ordinance have not been achieved.

Scope of the Report

The Report compares MBE/WBE participation by industry during FY 1990-91 with FY 1989-90 and FY 1987-88. The FY 1990-91 and FY 1989-90 data in the Report were generated by the HRC's computerized reporting system. The HRC did not produce a report for FY 1988-89.

The Report provides an analysis of City contracts and the MBE/WBE participation in such City contracts and includes discussions of 1) departmental performance; 2) the certification process and a breakdown of "certified" and "registered" firms; 3) procedures for waivers; 4) outreach, technical assistance and good faith efforts; 5) and problems in making good faith efforts.

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### Citywide Statistics

The following chart summarizes the findings of the FY 1990-91 Progress Report prepared by the HRC regarding MBE and WBE participation levels by industry for certified MBEs and WBEs. The Report includes a comparison of Citywide MBE/WBE participation during FY 1990-91 with FY 1989-90 and FY 1987-88.

#### CONTRACTS AWARDED TO CERTIFIED<sup>1</sup> MBEs/WBEs *By Industry and Dollar Amount*

<u>Industry</u>	<u>FY 1987-88</u>	<u>FY 1989-90</u>	<u>FY 1990-91</u>	<u>FY<sup>2</sup> 1990-91 %</u>
Construction	\$8,592,246	\$2,968,223	\$12,083,622	19.0
Equipment and Supplies	4,986,542	6,995,941	12,953,651	10.6
General Services	1,024,495	1,098,362	2,051,409	2.3
Professional Services:				
Architecture/Engineering	2,413,888	471,062	487,228	4.6
Computer Systems	216,390	274,476	242,000	3.8
Legal	0	128,000	1,249,428	36.3
Medical Services	1,615,850	26,400	17,750	0.1
Management Consulting	262,856	77,398	35,100	4.5
Miscellaneous	<u>342,395</u>	<u>0</u>	<u>2,056,613</u>	<u>6.6</u>
TOTAL	\$19,454,662 <sup>3</sup>	\$12,039,862 <sup>3</sup>	\$31,176,801 <sup>3</sup>	9.0

The following chart summarizes the findings of the FY 1990-91 Progress Report prepared by HRC for both certified and registered MBEs and WBEs by industry.

<sup>1</sup> Certified MBE/WBE firms are economically disadvantaged local firms that have been certified as such by the HRC. Registered MBE/WBE firms are owned by minorities or women but do not qualify to be certified under the ordinance because they are not local firms.

<sup>2</sup> Percentage of MBE/WBE City contract amounts to total City contract amounts.

<sup>3</sup> Erroneously shown as \$18,430,167; \$11,769,862; and \$31,176,800, respectively, in Chart 3 on page eight of the Progress Report.



**CONTRACTS AWARDED - CERTIFIED AND REGISTERED<sup>1</sup> MBEs/WBEs**  
*By Industry and Dollar Amount*

<b>Industry</b>	<b>FY 1987-88</b>	<b>FY 1987-88%*</b>	<b>FY 1989-90</b>	<b>FY 1989-90%*</b>	<b>FY 1990-91</b>	<b>FY 1990-91%*</b>
Construction	\$18,834,674	22.0	\$21,621,317	4.3	\$23,072,359	36.2
Equipment and Supplies	11,288,345	14.0	9,792,428	8.6	15,455,701	12.7
General Services	1,091,000	1.2	1,894,044	1.6	2,879,041	3.3
Professional Services:						
Architecture/						
Engineering	5,673,180	30.0	1,742,059	7.8	572,204	5.4
Computer Systems	216,390	9.0	346,476	7.3	339,180	5.3
Legal	0	0.0	199,000	9.9	1,249,428	36.3
Medical Services	1,615,850	86.0	1,215,674	2.1	981,692	7.6
Management						
Consulting	262,856	2.0	239,896	14.7	160,100	20.3
Miscellaneous	<u>742,655</u>	4.5	<u>980,656</u>	2.5	<u>2,569,997</u>	<u>7.5</u>
<b>TOTAL</b>	<b>\$39,724,950</b>		<b>\$38,031,550</b>		<b>\$47,279,702</b>	<b>13.6</b>

**Comments**

1. As previously stated, Section 12D.3 of the Ordinance requires that the annual report include recommendations for "improving the City's performance in remedying the identified discrimination against MBEs and WBEs." However, the FY 1990-91 Progress Report includes no such recommendations from the HRC. Rather, beginning on page 46 of the Progress Report, a section titled "Problems in Making Good Faith Efforts" contains statements from City departments in response to HRC's request that departments "identify specific problems they had experienced in making good faith efforts on contracts not subject to the bid preferences of the Ordinance and to suggest any possible solutions or recommendations."

<sup>1</sup> Certified MBE/WBE firms are economically disadvantaged local firms that have been certified as such by the HRC. Registered MBE/WBE firms are owned by minorities or women but do not qualify to be certified under the ordinance because they are not local firms.

\* Percentage of MBE/WBE City contract amounts to total City contract amounts.

2. Mr. Edwin Lee, Director of the Human Rights Commission, reports that the HRC endorses the recommendations and suggestions made by the departments. Further, with respect to those recommendations and suggestions, the Progress Report states that "The majority of the problems cited have been, or are being, addresses (sic) by the HRC and/or the City." However, the Budget Analyst believes that the intent of the MBE/WBE/LBE Ordinance II with respect to recommendations in accordance with the previously cited Section 12D.3 is that a set of recommendations be presented directly from the HRC to the Board of Supervisors, as was done in the FY 1989-90 Progress Report.

3. Mr. Lee has provided the Budget Analyst with a memorandum from the MBE/WBE/LBE Community Advisory Committee to the Human Rights Commission. The memorandum contains three recommendations for amending the existing MBE/WBE/LBE Ordinance II, as cited below, and urges the HRC to adopt the recommendations.

- a. That the City adopt a Citywide race-neutral prompt payment program which establishes a Citywide policy requiring all departments to pay contractors within 60 days of receipt of invoice. If the City fails to pay the contractor within 60 days, the City shall pay the contractor a one percent (1%) penalty.
- b. That "graduated"\* MBEs/WBEs receive a bid preference to enable them to better compete with large LBEs, without disadvantaging small MBEs/WBEs.
- c. That all City departments provide the HRC with timely information on contract modifications.

The Human Rights Commission adopted the recommendations at its meeting of April 23, 1992.

4. The Economic and Social Policy Committee at its meeting of April 28, 1992, directed the City Attorney to prepare legislation to amend the existing MBE/WBE/LBE Ordinance II as follows:

- a. Extend the Ordinance for a five-year period effective July 1, 1992.
- b. Provide that the Director, Human Rights Commission, work with the Controller and representatives of City departments to establish a prompt payment policy requiring that MBEs, WBEs, and LBEs be paid by the City within 60 days of the date on which the City receives an invoice from an MBE, WBE, or LBE.

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\* "Graduated" MBEs/WBEs are firms that were previously certified as such but have subsequently been decertified because they no longer meet the "economically disadvantaged" requirements.

c. Require that all City departments provide the HRC with timely information on contract modifications.

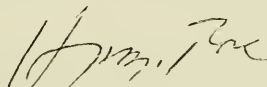
5. Mr. Harold Guetersloh of the Controller's Office reports that the City normally pays non-disputed, properly documented invoices within 60 days of receipt. Mr. Guetersloh further reports that the proposed prompt payment policy would have an insignificant or no impact on the City's finances.

6. The Progress Report would provide more meaningful and more easily accessible information if two or more data types were combined into a single chart. For example, Chart 3 on page 8 of the Progress Report shows the dollar value of contracts awarded to certified MBEs/WBEs for fiscal years 1987-88, 1989-90, and 1990-91. If the absolute dollar values in each of the industries cited were accompanied by the percentages attained by MBEs/ WBEs, the chart would be much more useful.

7. We note that the top five departments in terms of percentage of contracts and in terms of dollars awarded to MBEs and WBEs are as follows:

<u>Percentage of Contract Dollars</u>		<u>Contract Dollar Amounts</u>	
Board of Supervisors	29.5% *	Public Works	\$10,895,369
Fire Department	24.4%	DPH/SF General	\$4,494,398
Port	21.0%	Airport	\$3,703,663
Public Works	19.4%	PUC/Muni	\$2,260,493
Art Commission	16.0%	PUC/Hetch Hetchy	\$1,396,020

\*These include contracts for annual audit of the Controller's books and Budget Analyst services. It should be noted that 40.6 percent of the contract for Budget Analyst services is allocated to certified MBE/WBE firms.



Harvey M. Rose

cc: Supervisor Kennedy	Controller
Supervisor Alioto	Kent Sims
Supervisor Conroy	Jean Mariani
President Shelley	Barbara Kolesar
Supervisor Achtenberg	Ted Lakey
Supervisor Britt	
Supervisor Gonzalez	
Supervisor Hallinan	
Supervisor Hsieh	
Supervisor Maher	
Supervisor Migden	
Clerk of the Board	
Chief Administrative Officer	

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





BOARD of SUPERVISORS

City Hall  
San Francisco 94102  
554-5184

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MAY 26 1992

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NOTICE OF RESCHEDULED MEETING  
ECONOMIC AND SOCIAL POLICY COMMITTEE

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Economic and Social Policy Committee for Tuesday, May 26, 1992, at 2:00 p.m., has been rescheduled to Thursday, May 28, 1992, in Room 228 at 2:00 p.m.

*John L. Taylor*  
John L. Taylor

Clerk of the Board

D 1693

POSTED: May 20, 1992

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ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE



## C A L E N D A R

### RESCHEDULED MEETING OF ECONOMIC & SOCIAL POLICY COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

THURSDAY, MAY 28, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

CLERK: MARY L. RED

### CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - (a) File 19-92-7. [Parking Regulations] Resolution enacting parking regulations, "No Parking Anytime" on Bessie Street, south side, between Manchester and Folsom Streets. (Department of Parking and Traffic)
  - (b) File 20-92-8. [Traffic Regulations] Resolution enacting traffic regulations, "One-Way Street" on Bessie Street, between Manchester and Folsom Streets, eastbound. (Department of Parking and Traffic)
  - (c) File 40-92-3. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "N" in the North Inner Richmond area, adding 15th Avenue, between Lake and California Streets, both sides; and adding to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)

ACTION:

### REGULAR CALENDAR

2. File 97-92-22. [Rent] Ordinance amending the San Francisco Administrative Code by amending Section 37.8 thereof to provide that tenants may file petitions on the ground that a rent increase was null and void pursuant to Section 37.3 and that hearing officers may order the payment or refund of such increase to tenants. (Supervisors Britt, Kennedy, Maher)  
(Continued from 5/12/92)

ACTION:

3. File 115-92-1. [Service Station Conversion] Ordinance amending Part II, Chapter 11 of the San Francisco Municipal Code (City Planning Code) by amending Section 228.3 thereof to correct a typographical error in the criteria by which the City Planning Commission shall determine whether to approve an application for a service station conversion, by amending Section 228.4 thereof to correct a typographical error in the type of application filed to convert a service station to a non-service station use, and finding consistency with the priority policies set forth in City Planning Code Section 101.1. (Supervisor Hallinan)  
(Approved by City Planning Commission Resolution No. 13332)  
(Exempt from environmental review as a General Rule Exclusion)

ACTION:

4. File 12-92-1. [SB 797 – Bay Area Growth Management Strategy] Resolution supporting SB 797 (Morgan), establishing a process for the development of a growth-management strategy for the Nine-County Bay Area Region to coordinate the actions of regional and local agencies, and urging the Mayor to direct the City's lobbyist to urge the State Legislature to pass SB 797. (Supervisor Ward)

ACTION:

5. File 53-92-2. [Reclamation] Resolution urging the Chief Administrative Officer and the Public Utilities Commission to jointly negotiate a mutually beneficial agreement with other Bay Area water and wastewater entities in order to fully study the concept and feasibility of exporting reclaimed and recycled water from the Bay Area for beneficial reuse, including but not limited to agricultural irrigation, salinity repulsion and other viable options. (Supervisors Migden, Achtenberg)

ACTION:

6. File 93-92-16.1. [Memorandum of Understanding] Resolution urging the Mayor to include in any memorandum of understanding between the City and County of San Francisco and the Police Officers' Association provisions that would allow the City to provide more openness in the Office of Citizen Complaints process. (Supervisors Kennedy, Hallinan)

ACTION:

7. File 287-92-1 [African American Art Museum] Resolution urging the Mayor to urge the Board of Trustees of the Fine Arts Museum and the Asian Art Commission to establish available space for an African and African American Art Museum, or recommend suitable space for an African and African American Art Museum. (Supervisors Kennedy, Alioto, Ward)

#### FISCAL IMPACT

ACTION:

8. File 228-92-1. Hearing to consider the California State Association of Counties (CSAC) Welfare Reform proposals. (Supervisor Kennedy)

ACTION:

9. File 222-92-3. Hearing to consider the Affirmative Action Programs within all City departments, how it works, the process of promotions and advancement in-house, especially non-civil service positions. (Supervisor Kennedy)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

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## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 26, 1992

**TO:** Economic and Social Policy Committee

**FROM:** Budget Analyst *recommendations*

**SUBJECT:** May 28, 1992 Rescheduled Economic and Social Policy Committee Meeting

Item 2 - File 97-92-22

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of May 12, 1992.

1. The proposed ordinance would amend the San Francisco Administrative Code by amending Section 37.8 thereof to provide that tenants may file petitions on the ground that a rent increase was null and void pursuant to Section 37.3 and that hearing officers may order the payment or refund of such increases to tenants.

2. Section 37.3 of the Administrative Code stipulates specific circumstances under which a landlord may impose a rent increase and places limitations on a tenant who subleases his or her rental unit. According to Section 37.3 of the Administrative Code, the Residential Rent Stabilization and Arbitration Board (Rent Board) is responsible for establishing an annual rent increase which does not exceed more than 60 percent of the Consumer Price Index (CPI) for the Bay Area, and in no event can the rent increase be less than four percent or greater than seven percent. Section 37.3 of the Administrative Code currently establishes a hearing process for tenants. The proposed ordinance would amend Section 37.3 of the Administrative Code to allow tenants to request arbitration hearings specifically where a landlord "imposed a nonconforming rent increase which is null and void," pursuant to Section 37.3 of the Administrative Code, and allow hearing officers to order the payment or refund of such increase to tenants. Therefore, the proposed ordinance would authorize the Rent Board to require the landlord to make repayments to tenants where a rent increase exceeds the annual allowable rent increase, which is currently four percent.

3. A determination of whether the rent increase was "null and void" would be made through a hearing process which has already been established by the existing provisions of Section 37.8 of the Administrative Code. The hearing process outlined in Section 37.8 of the Administrative Code includes the following provisions: (1) gives authority to the Rent Board and designated hearing officers to arbitrate rental adjustments, (2) provides guidelines and procedures by which landlords and tenants can request arbitration of rental adjustments, (3) provides guidelines by which landlords and tenants can file a petition for a hearing, (4) stipulates the procedures to be followed by the hearing officer in developing findings of fact and (5) provides procedures by which a landlord or tenant can appeal the decision of a hearing officer.

### **Comments**

1. According to Mr. Joe Grubb of the Rent Board, although it has long been the practice to make awards to tenants for rent overpayments that have been determined to exceed the lawful rent permitted under Section 37.3 of the San Francisco Administrative Code, a recent State Court of Appeals decision found that under the existing provisions of the San Francisco Administrative Code, the Rent Board is not authorized to require the landlord to make awards to tenants, unless there is specific language within the City's Administrative Code which states that the rent increase was found to be "null and void." Therefore, the proposed ordinance would provide this language to the City's Administrative Code.

2. Mr. Grubb indicates that since it is already the practice of the Rent Board to hold hearings to consider whether any rent overpayments have occurred, the proposed ordinance would not result in any fiscal impact to the Rent Board.

### **Recommendation**

Approve the proposed resolution.



Item 5 - File 53-92-2

- Department:** Chief Administrative Officer (CAO)  
Public Utilities Commission (PUC)
- Item:** Resolution urging the Chief Administrative Officer and the Public Utilities Commission to jointly negotiate a mutually beneficial agreement with other Bay Area water and wastewater entities in order to fully study the concept and feasibility of exporting reclaimed and recycled water from the Bay Area for beneficial reuse, including but not limited to agricultural irrigation, salinity repulsion, and other viable options.
- Description:** The Chief Administrative Officer, through the Department of Public Works, proposes to evaluate alternatives for the export of reclaimed and recycled water from jurisdictions within the Bay Area to other areas of the State.
- The proposed resolution would authorize the Chief Administrative Officer and the Public Utilities Commission (which oversees the City's Water Department) to negotiate a Joint Powers Agreement with water departments and wastewater agencies, throughout the Bay Area, which choose to participate. The proposed Joint Powers Agreement resulting from these negotiations would authorize the agencies to study the feasibility of exporting reclaimed and recycled water to areas outside the Bay Area, potentially including irrigation districts in the Northern San Joaquin Valley. The Joint Powers Agreement negotiated by the CAO and PUC would be presented to the Board of Supervisors for review and approval.
- The proposed resolution has resulted in part from a Cease and Desist Order imposed by the Regional Water Quality Control Board, which requires San Francisco to develop, by October 1, 1994, a plan to eliminate effluent discharges into Islais Creek from the Southeast Water Pollution Control Plant. Those discharges have occurred because the City lacks sufficient wastewater discharge capacity during periods of heavy rainfall. The possibility of exporting wastewater is one option which the Department of Public Works (DPW) wishes to consider to satisfy the requirements of the Cease and Desist Order.
- Other potential benefits of exporting wastewater rather than discharging it include the possibility of receiving transfers of potable water from agricultural areas of the State, enhancing the recreational value of San Francisco Bay, preventing the

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

use of fresh water from the Delta for agricultural uses and thereby inhibiting further salinization of the Delta, and preserving fish and wildlife habitats.

**Comments:**

1. Ms. Michelle Pla, Manager for Planning and Control in the Engineering Department at DPW, indicates that the proposal to study the export of wastewater is one of three alternatives being considered by DPW to respond to the requirements of the Cease and Desist Order issued by the Regional Water Quality Control Board. Two other alternatives are presently being evaluated by DPW. They are 1) to construct a second pipeline into the Bay for discharge of wastewater treated at the Southeast Water Pollution Control Plant; or 2) to construct a cross-town pipeline to transport the effluent from the Southeast Water Pollution Control Plant to a pipeline which discharges into the Pacific Ocean.

2. Ms. Pla indicates that the proposed Joint Powers Agreement would do more than respond to the requirements of the Cease and Desist Order, however. She describes the discharge of wastewater into the Bay as a regional issue, which can be better addressed through alternatives developed in collaboration with other water and wastewater agencies in the area. (Water agencies supply fresh water to customers; wastewater agencies treat and dispose of nonpotable water.) Because there are several water agencies supplying water and 21 wastewater agencies treating and discharging wastewater within the Bay Area, a Joint Powers Agreement could permit these agencies to collaborate effectively in developing new alternatives for the disposition of wastewater, according to Ms. Pla.

Ms. Pla also describes the potential to obtain transfers of potable water, through the export of wastewater for agricultural uses, as a significant potential benefit to Bay Area water agencies charged with supplying fresh water to local residents.

2. DPW has studied the potential reclamation and reuse of treated wastewater to examine the demand for recycled water within San Francisco. According to Ms. Pla, these analyses indicate that of the 85 million gallons of water discharged per day during dry weather, demand exists within the City for reclamation and reuse of only 29 million gallons per day, or approximately 34 percent of the wastewater. The remainder, or 56 million gallons of water per day, could be exported for other uses. One purpose of the Joint Powers Agreement would be to evaluate the feasibility of exporting this water for other uses which might be found, according to Ms. Pla.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



3. During wet weather, Ms. Pla indicates that San Francisco's ability to treat and discharge its wastewater is severely limited by the lack of discharge capacity at the Southeast Water Pollution Control Plant. This plant can now treat 210 million gallons of wastewater per day, and by 1996 it will have the capacity to treat approximately 250 million gallons of water per day. However, it can discharge, through an "outflow" into the Bay, only 110 million gallons per day. Any overflow, which results after significant rainfall, is discharged into Islais Creek, where it is not sufficiently diluted and violates clean water standards for dilution of wastewater. As mentioned above in Comment No. 1, the export of wastewater to other jurisdictions is one option which could alleviate this lack of discharge capacity.

4. Ms. Pla anticipates that a negotiated Joint Powers Agreement would be finalized within about one year. If the agreement is approved, Ms. Pla anticipates that the feasibility study for the export of wastewater would take two to three years. The time frame for completion of the study therefore exceeds the October 1, 1994 deadline imposed by the Regional Water Quality Control Board for the City to develop a plan to eliminate discharges into Islais Creek. Ms. Pla indicates, however, that the Regional Water Quality Control Board will be involved in the wastewater export feasibility study, and that the agency is supportive of efforts to divert wastewater from discharge into the Bay to reclamation for other uses. Ms. Pla therefore believes the deadline would be modified if proposals to export wastewater appeared to be feasible.

5. Negotiation of the proposed Joint Powers Agreement would be undertaken by the CAO and PUC in the course of their ordinary duties and therefore should not result in any additional costs to the City, according to Ms. Pla. Such negotiations would be undertaken through existing contacts with representatives of other water and wastewater agencies in the Bay Area. Ms. Pla indicates that the proposed Joint Powers Agreement would stipulate the delegation of duties, methodology, and expected costs of a study to evaluate the feasibility of exporting wastewater to other jurisdictions. The proposed Joint Powers Agreement containing these provisions and outlining the scope of the study would then be submitted for the approval of the Board of Supervisors.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 7 - File 287-92-1

1. The proposed resolution would urge the Mayor to urge the Board of Trustees of the Fine Arts Museum and the Asian Art Commission to establish available space for an African and African American Art Museum, or recommend suitable space for an African and African American Art Museum.

2. The lead sponsor of the proposed legislation reports that no specific proposal has been developed, at this time, for the establishment of an African and African American Museum. As such, there is no available information regarding (1) the physical structure of the museum under consideration (i.e. an independent free-standing facility or an extension of an existing museum facility), (2) whether the museum would be public or private and how it would be staffed and governed and (3) the museum's relationship to the City and to other museum organizations. Without such information, the potential cost to the City for the establishment of the proposed African and African American Art Museum cannot be determined.

3. Mr. Harry Parker, Director of the Fine Arts Museum reports that the Fine Arts Museum is supportive of the concept to develop a museum program and setting dedicated to the exhibition of African and African American Art. Mr. Parker advises that the Fine Arts Museum is currently considering the possibility of using the space at the M.H. de Young Memorial Museum, which would be vacated by the planned relocation by 1997 of the Asian Art Museum to the Main Library building at Civic Center, to expand the Fine Arts Museum's existing ethnographic art galleries and contemporary art galleries. However, Mr. Parker adds that the Fine Arts Museum is open to discussion about the use of this vacated space in connection with an African and African American Art Program.

4. The lead sponsor of the proposed legislation has requested that this item be continued to the call of the Chair in order to allow additional time to meet with representatives of the Fine Arts Museum to discuss, in general, the proposal for an African and African American Museum, as well as to explore the options for a potential site.

Recommendation

Continue the proposed resolution to the call of the Chair.



Item 8 - File 228-92-1

1. This item is a hearing to consider the California State Association of Counties (CSAC) Welfare Reform proposals.

2. According to CSAC, public assistance costs and caseloads in California have risen dramatically since 1980. CSAC advises that the welfare system is not solving the problems of the poor and that the welfare system is becoming increasingly difficult to administer. CSAC, at its February 13, 1992, adopted ten principals to guide welfare reform, as follows:

- (1) Welfare programs should be designed to provide the incentive, opportunities, and the necessary support services to allow recipients to achieve self-sufficiency.
- (2) Welfare reform efforts should focus on prevention of the factors that lead to poverty and welfare dependency.
- (3) Welfare reform should not result in a shift of financial responsibility for the care of needy people from the State to the counties.
- (4) All increased costs of State mandates must be paid for by the State.
- (5) Welfare reform should acknowledge the responsibility of absent parents by improving efforts at absent parent location, paternity establishment, child support award establishment, and collection of child support.
- (6) Welfare reform should include improvements in public assistance delivery systems to enhance automation, cost-effectiveness, and ease of use for clients.
- (7) The State should take a leadership role in providing employment opportunities to AFDC recipients and in providing incentives to counties to develop new strategies to promote self-sufficiency.
- (8) The State should take a leadership role in seeking State and Federal legislative and regulatory changes to achieve simplified and consolidated eligibility processes for major public assistance programs, including Aid to Families with Dependent Children (AFDC), Medicaid, and Food Stamps.
- (9) Financing of welfare should transfer full financial responsibility for AFDC from the counties to the State and Federal government.
- (10) To the extent possible, welfare reform efforts should seek to minimize incentives for public assistance recipients to migrate within the State.



3. Using these principals as a guide, CSAC is currently developing a Welfare Reform Proposal. The May 8, 1992 draft of CSAC's Welfare Reform Proposal, which has not been approved in final form by CSAC, includes the following recommendations:

### **Ameliorating the Effects of Grant Cuts**

To ameliorate the effects of grant cuts, CSAC recommends: (1) any grant cut should be regionally indexed to reflect the varying costs of housing throughout California, and cuts should be made proportionally; (2) counties should administer a homelessness prevention program targeted at welfare recipients who are at risk of homelessness due to a reduction in their grant, to be funded from Redevelopment Agency funds or through a diversion of savings from elimination of the renter's credit; and (3) Redevelopment Agencies should be required to use their funds to expand the supply of low income housing.

### **Increasing the Incentives for Recipients to Work**

According to CSAC, ample research has demonstrated that most AFDC recipients want to work. Therefore, CSAC recommends that various incentives be provided, such as (1) expanding income disregard, so that the amount a grant is reduced when recipients begin to earn money is less than under the current program; and (2) providing child care and MediCal to individuals who leave welfare for work.

### **Expanding Employment Services and Opportunities**

CSAC reports that one of the major barriers to employment for most AFDC recipients is the lack of basic skills necessary to compete for jobs. Therefore, CSAC recommends the following:

- The Greater Avenues for Independence Program (GAIN), a vocational training program for recipients of Aid to Families with Dependent Children, should be fully funded. Counties should be empowered to identify the needs in their area and use GAIN funds to meet those needs.
- A task force should be created to encourage private employers to hire welfare recipients, thereby receiving tax incentives.
- Procurement policies for State and local government should be changed to encourage employment of welfare recipients in the private sector.

### **Reforms Aimed at Teenage Parents**

CSAC recommends measures aimed at providing incentives for teenage mothers to remain at home to receive support from their families and to stay in school, including elimination of AFDC incentives to maintain a separate residence, and granting AFDC bonuses to unwed teen mothers who succeed in school.



### **Family Structure Reforms**

CSAC advises that California's teen pregnancy rate is one of the highest in the nation. For every dollar spent on family planning, according to CSAC, \$6.69 is saved in health, welfare and social services costs. CSAC recommends requiring family planning information and services to be available to AFDC recipients and establishing a program to make family planning services more accessible to AFDC recipients.

### **Increasing the Collection of Child Support**

CSAC supports reform at every stage in the child support collection process, including the establishment of paternity, the establishment of support awards, and the collection of support owed.

### **Automating and Simplifying Public Assistance Delivery Systems**

The current welfare system is complicated and inefficient, according to CSAC. CSAC recommends various reforms, including automation of the welfare system, consolidated eligibility determination, issuing one check per month instead of two checks per month, and eliminating food stamps in favor of cash payments.

### **Residency Requirement**

To reduce any possible incentive to migrate to California to seek higher public assistance benefits, CSAC recommends that the maximum AFDC payment level for a family who has resided in California for less than twelve months would be based on the average of the other 49 states.

### **General Assistance**

CSAC recommends various reforms to guarantee that General Assistance payments are in no case higher than the grant received by women and children who receive AFDC.

These recommendations are draft recommendations only, and have not been approved as final recommendations by CSAC.

4. If these draft recommendations are adopted by CSAC, and if the State elects to enact any of these recommendations, the cost to the City for welfare could be reduced. For example: (a) welfare recipients might be encouraged to work if they are still eligible for child care and MediCal benefits; (b) recipients might be enabled to work if they receive job training; (c) recipients might require lower payments if an absent partner begins to pay child support; and (d) the number of children requiring support might decrease if family planning programs are instituted. To the extent that recommendations that could result in lower costs to

the City for welfare are adopted by CSAC and enacted by the State, the City's contribution to welfare payments could be reduced.

5. The Governor of California previously introduced budget legislation and proposed a ballot initiative which would make major changes in California's public welfare system. These changes include, but are not limited to:

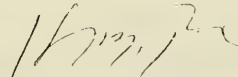
- cutting aid payments for AFDC recipients
- increasing income disregard
- reducing payments to families who have been in California for less than one year
- eliminating increases in AFDC grants if a child is born while a family is on aid
- requiring parents under the age of 18 who receive AFDC to live in the home of their parent or legal guardian.

In response to the Governor's proposals, the San Francisco Department of Social Services in February, 1992 issued a report analyzing the Governor's proposals. This report concluded that the Governor's welfare reform changes would have the following impact: (a) a sharp increase in family homelessness; (b) children would bear the greatest burden of the cuts; (c) income for recipients would decrease for non-working and many working families; (d) there would be no increase in work incentives for many AFDC recipients; (e) no increases in employment and training programs; (f) single adults, including the disabled, would become poorer; (g) long term costs might be greater than short term cuts.

The report also states that costs for welfare would be transferred to counties under the Governor's proposed welfare reform. According to the report, while counties would experience cost savings from reductions in benefit payments for Aid to Families with Dependence Children and General Assistance, these savings would be mitigated by increased demand for homeless shelters and health and other social services. The report states that many individuals would be made ineligible for AFDC by the Governor's proposed welfare reform, and would likely come to County-funded General Assistance programs instead.

Memo to Economic and Social Policy Committee  
May 28, 1992 Rescheduled Economic and Social Policy Committee Meeting

6. According to Mr. Chris Collins of the Department of Social Services, the Social Services Commission has not taken a position on CSAC's proposed welfare reform principals.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Alioto  
Supervisor Conroy  
President Shelley  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Jean Mariani  
Barbara Kolesar  
Ted Lakey



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CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JUNE 9, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

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CLERK: MARY L. RED

JUN 8 1992

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CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 18-92-8. [Stop Intersections] Recommending establishment of STOP intersections at various locations. (Department of Parking and Traffic)

Establish Stop Signs:

12th Avenue, Funston Avenue, Cragmont Avenue and Rockridge Drive, stopping 12th Avenue and Funston Avenue traffic (3 legs).

14th Avenue, Kirkham Street, and Lurline Street, northwest and southeast corners, stopping 14th Avenue and Lurline Street traffic.

17th Avenue and Pacheco Street, northeast and southwest corners, stopping Pacheco Street traffic.

25th Avenue and Rivera Street, northwest and southwest corners, stopping Rivera Street traffic.

39th Avenue and Yorba Street, northeast and southwest corners, stopping Yorba Street traffic.

48th Avenue and Ortega Street, northwest and southeast corners, stopping 48th Avenue traffic.

48th Avenue and Quintara Street, northwest and southeast corners, stopping 48th Avenue traffic.

48th Avenue and Santiago Street, northwest and southeast corners, stopping 48th Avenue traffic.

Annie and Jessie Streets, northwest corner, stopping southbound Annie Street traffic.

Illinois, Mariposa, and China Basin Streets, all corners, stopping all approaches (makes this an all-way STOP).

18th Avenue and Quintara Street, northwest and southeast corners, stopping 18th Avenue traffic, (Makes this an all-way STOP).

23rd and Capp Streets, northeast and southwest corners, stopping 23rd Street traffic (makes this an all-way STOP).

Filbert and Polk Streets, northwest and southeast corners, stopping Polk Street traffic (makes this an all-way STOP).

Lyon and Union Streets, northeast corners, stopping Union Street traffic (makes this an all-way STOP).

Amherst and Silliman Streets, northwest and southeast corners, stopping Amherst Street traffic.

Bacon and Oxford Streets, northeast and southwest corners, stopping Bacon Street traffic.

Boylston and Hale Streets, northeast and southwest corners, stopping Boylston Street traffic.

Brazil Avenue and Prague Street, northwest and southeast corners, stopping Prague Street traffic.

Burrows and Harvard Streets, northwest and southeast corners, stopping Harvard Street traffic.

Burrows and Oxford Streets, northeast and southwest corners, stopping Burrows Street traffic.

Excelsior Avenue and Vienna Street, northwest and southeast corners, stopping Vienna Street traffic.

France Avenue and Paris Street, northeast and southwest corners, stopping France Avenue traffic.

Bacon and Princeton Streets, northwest and southeast corners, stopping Princeton Street traffic.

Burrows Street and San Bruno Avenue, southwest corner, stopping Burrows Street traffic.

Felton and Princeton Streets, northwest and southeast corners, stopping Princeton Street traffic.

France Avenue and Moscow Street, northeast and southwest corners stopping France Avenue traffic.

San Bruno Avenue and Wayland Street, southwest corner, stopping Wayland Street traffic.

Wayland and Yale Streets, southeast corner, stopping Yale Street traffic.



- (b) File 19-92-8. [Parking Regulations] Recommending establishment and extension of parking regulations, various streets. (Department of Parking & Traffic)

Perpendicular (90 Degree Angle) Parking-Establish:

Baker Street, west side, between Fulton and Grove Streets

2-Hour Parking Time Limit-Establish:

Parker Avenue, east side, from Fulton Street to 264 feet northerly (264 foot zone)

Parking Meter Area 3 (1-Hour Limit, Mon-Sat, 9AM-6PM) Extend

Golden Gate Avenue, both sides, between Franklin and Gough Streets.

- (c) File 20-92-9. [Traffic Regulations] Recommending establishment of traffic regulations, various streets. (Department of Parking & Traffic)

Tow-Away, No Parking, School Days, Except SFUSD Mobile Classrooms-Establish:

Shotwell Street, west side, from 47 feet to 111 feet north of 18th Street (64-foot zone, Monday through Friday, 7:30 a.m. – 3:00 p.m.).

Florida Street, west side, from 205 feet to 237 feet south of 24th Street (32-foot zone, Monday through Friday, 7:45 a.m. – 3:15 a.m.).

10th Street, west side, from 137 feet to 177 feet north of Folsom Street (40-foot zone, 7:30 a.m. – 3:30 p.m., Monday and Tuesday; Wednesday regulations to be added next school year).

Treat Avenue, west side, 245 feet to 277 feet south of Precita Avenue (32-foot zone, 8:00 a.m. – 3:00 p.m., Thursday and Friday; Wednesday regulations to be added next school year).

Tow-Away, No Stopping Anytime – Establish

Hayes Street, north side from Franklin Street to 100 ft easterly.

California Street, both sides between Park Presidio Blvd and Funston Avenue.

One-Way Street – Establish

Langton Street, between Harrison and Folsom Street, one-way northbound

Crosswalk Closure – Establish

8th and Bryant Street, east crosswalk, crossing Bryant Street

Mid-Block Crosswalk – Establish

Bartol Street, between Vallejo Street and Broadway

- (d) File 40-92-4. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "S" in the Duboce Triangle area, Hancock Street between Sanchez and Noe Streets, both sides; and Roosevelt Way, between Museum Way and 15th Street, both sides; and adding to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)

ACTION:

## REGULAR CALENDAR

2. File 12-92-1. [SB 797 – Bay Area Growth Management Strategy] Resolution supporting SB 797 (Morgan), establishing a process for the development of a growth-management strategy for the Nine-County Bay Area Region to coordinate the actions of regional and local agencies, and urging the Mayor to direct the City's lobbyist to urge the State Legislature to pass SB 797. (Supervisor Ward)  
(Continued from 5/28/92)

### ACTION:

3. File 93-92-16.1. [Memorandum of Understanding] Resolution urging the Mayor to include in any memorandum of understanding between the City and County of San Francisco and the Police Officers' Association provisions that would allow the City to provide more openness in the Office of Citizen Complaints process. (Supervisors Kennedy, Hallinan)  
(Continued from 5/28/92)

### ACTION:

4. File 36-91-8. [Zoning Map Amendment – Noe Valley Neighborhood Commercial District] Ordinance amending Part II, Chapter II of the San Francisco Municipal Code (City Planning Code) by amending the Zoning Map of the City and County of San Francisco for properties generally described as Assessor's Block 6538, Lot 23 from RH-2 to 24th Street – Noe Valley Neighborhood Commercial District; and adopting findings pursuant to City Planning Code Section 101.1. (Supervisor Achtenberg)  
(Approved by City Planning Resolution No. 13277).  
(Categorically exempt from Environmental Review).

### ACTION:

5. File 171-92-3. [Central Freeway] Resolution declaring it to be the policy of the City and County of San Francisco not to build any new ramps to replace the demolished sections of the Central Freeway; requesting an expeditious resolution of funding for surface-level transportation improvements; urging the May to convene a task force to plan land use and transportation needs for the Hayes Valley and Western Addition neighborhoods. (Supervisor Maher)

### ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE

22  
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CALENDAR

SPECIAL MEETINGS OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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JUN 6 1992

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PUBLIC LIBRARY

TUESDAY, JUNE 9, 1992 AND  
THURSDAY, JUNE 11, 1992  
6:00 P.M. UNTIL 9:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

CLERK: MARY L. RED

1. File 83-92-1. Hearing to consider confronting the homeless problem in San Francisco. (Supervisors Ward, Kennedy, Migden)

ACTION:

1980-1981

1980-1981

1980-1981

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

HEARING NOTICE

22  
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CALENDAR

DOCUMENTS DEPT.

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

JUN 19 1992  
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TUESDAY, JUNE 23, 1992 - 2:00 P.M.

2ND FLOOR, CHAMBER  
CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

CLERK: MARY L. RED

REGULAR CALENDAR

1. File 178-90-1. Hearing to consider allegations by various security officers of discriminatory practices at the Fine Arts Museum. (Supervisor Kennedy)  
(Continued from 1/14/92)

ACTION:

2. File 107-89-15. Hearing to consider procedures and regulations concerning foster children, including placement of these children outside of San Francisco and the ramifications of Senate Bill 1177 regarding adoption of children. (Supervisor Kennedy)  
(Continued from 5/12/92)

ACTION:

3. File 287-92-1. [African American Art Museum] Resolution urging the Mayor to urge the Board of Trustees of the Fine Arts Museum and the Asian Art Commission to establish available space for an African and African American Art Museum, or recommend suitable space for an African and African American Art Museum. (Supervisors Kennedy, Alioto, Ward)  
(Continued from 5/28/92)

ACTION:

4. File 222-92-3. Hearing to consider the Affirmative Action Programs within all City departments, how it works, the process of promotions and advancement in-house, especially non-civil service positions. (Supervisor Kennedy)  
(Continued from 5/28/92)

ACTION:

5. File 36-92-3. [Final Negative Declaration] Resolution adopting Final Negative Declaration, finding and determining that adopting changes in the Height and Bulk Classification as an amendment to the Zoning Map of the City and County of San Francisco for property located on the block bounded by Berry, Fourth and Third Streets and China Basin Channel, Assessor's Block 3803, 109 Berry Street, from a 40-X to a 60-X District will have no significant impact on the environment, and adopting and incorporating findings of Final Negative Declaration. (Department of City Planning)  
(Companion measure to File 36-92-3.1)

ACTION:

6. File 36-92-3.1. [Zoning Map Change] Ordinance adopting changes in the Height and Bulk Classification as an amendment to the Zoning Map of the City and County of San Francisco for property located on the block bounded by Berry, Fourth and Third Streets and China Basin Channel, Assessor's Block 3803, from a 40-X to a 60-X District and adopting findings pursuant to Section 101.1. (Department of City Planning)  
(Companion measure to File 36-92-3)

(Approved by City Planning Commission Resolution No. 13339)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

Hearing Notice



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CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

June 19, 1992

TO: Economic and Social Policy Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: June 23, 1992 Economic and Social Policy Committee Meeting

DOCUMENTS DEPT.

JUN 23 1992

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Item 2 - File 107-89-15

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of May 12, 1992.

This item is a hearing to consider the procedures and regulations concerning foster children, including the placement of foster children outside of San Francisco County, and to consider the effects of Senate Bill No. 1177 on the adoption of children.

The Department of Social Services (DSS) reports that it is DSS's policy to place children in homes as close to their own families as possible. However, DSS advises that San Francisco's foster children are placed outside of the County for various reasons as follows:

- (1) Placing a child in the most appropriate foster home, based on the child's individual needs, sometimes necessitates placing children outside of San Francisco.
- (2) Many of the African American foster families who originally lived in San Francisco have moved out of the City. In such cases, it is often times determined to be in the child's best interests to move with the foster family.
- (3) DSS uses African American home finding agencies which serve the entire Bay Area and many of their approved homes are located in other Counties.

- (4) The number of families that could potentially provide foster care in San Francisco is limited due to the high cost of housing in the City which makes it difficult for families to afford the type of housing required to provide foster care. The type of housing required is regulated by State licensing rules which stipulate that certain housing requirements be met. These requirements include but are not limited to restrictions on bedroom size, number of children who can sleep in a bedroom, number of exits, fire/security bars, and which floor that the children can sleep on.
- (5) Placing a child with relatives, which DSS considers a priority, sometimes requires placing the child outside of San Francisco. According to DSS, as of April, 1992, of the 2,923 children currently placed in foster care, 54% reside with relatives, either inside or outside of San Francisco. Of all the 2,923 children in foster care, 77% are placed with a relative or in foster care in San Francisco.

Senate Bill 1177, which was originally authored by Senator Royce, established conditions under which foster parents must be given consideration, along with other potential adoptive families, to become the adoptive parents of a foster child. The bill was drafted in response to a specific case involving a foster family that cared for a child with Down's Syndrome for 1 1/2 years. Children's Home Society (CHS), the agency in charge of the adoption proceedings, did not consider that foster family when it sought a permanent placement for the child. As a result, the foster family sued CHS.

DSS reports that a "corrected" version of SB 1177 was drafted to be known as Senate Bill 2188 (SB 1177 was withdrawn by the author in favor of the new, "corrected" version, SB 2188). The new SB 2188 specified that it does not pertain to dependent children of juvenile court cases, and since DSS handles only such dependent children of juvenile court cases, SB 2188 (which replaces SB 1177) did not apply to DSS. DSS reports that Senator Royce's staff advised DSS that Senator Royce believes current laws governing public adoption agency activities already sufficiently address the issue of foster parent adoption. SB 2188 was signed into law in 1990.

### Comments

1. The total number of children that were in out-of-home placements within San Francisco and outside of San Francisco, as of December, 1991, according to ethnic breakdown, as provided by DSS, is as follows:

**Placements Within San Francisco County**

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group Homes</u>	<u>Legal Guardian</u>	<u>Legal Guardian Relative</u>	<u>Relative</u>	<u>Total</u>
White	69	29	15	2	35	150
Hispanic	46	35	19	25	73	198
Black	300	157	112	100	767	1,436
Asian	25	17	12	1	18	73
Indian	6	1	1	0	1	9
Filipino	<u>4</u>	<u>5</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>17</u>
Total	450	244	162	130	897	1,883

**Placements Outside San Francisco County**

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group Homes</u>	<u>Legal Guardian</u>	<u>Legal Guardian Relative</u>	<u>Relative</u>	<u>Total</u>
White	102	29	3	6	81	221
Hispanic	77	24	7	4	46	158
Black	412	162	23	26	359	982
Asian	18	8	0	1	11	38
Indian	18	1	1	0	11	31
Filipino	<u>7</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>11</u>
Total	634	225	34	38	510	1,441

2. The DSS also reports that it has made, and is continuing to make certain efforts to recruit more African American foster and adoptive families in San Francisco, as follows:

- (a) Effective November 27, 1989, DSS reassigned recruitment responsibilities to a new Assistant Director, with foster children knowledge and experience in recruiting, training, certifying and supervising prospective foster and adoptive families. A \$400,000 Foster Care Reserve Fund was also established during 1990-91. DSS had proposed to develop a comprehensive recruitment plan for use of these reserve funds to increase the number of quality, culturally relevant foster homes in San Francisco and to increase the number of homes available for children freed for adoption. Ms. Ann O'Reilly of DSS advises that the \$400,000 subsequently reverted to the General Fund as a result of the City's projected budget shortfall and, as such, was not made available to the Department for the development of a recruitment plan.

- (b) DSS budgeted \$60,000 in its 1990-91 budget to be used by the Assistant Director for recruitment purposes. Of the \$60,000, \$35,000 was used for contract services to aid in the recruitment of African American foster and adoptive families. Of the remaining \$25,000, approximately \$10,000 was used to fund a Black Adoption Fair, held on May 4, 1991 and approximately \$15,000 was used for the development of recruitment materials targeted towards cultural and ethnic groups. DSS reports that the Fair, which was held at the Recreation Center for the Handicapped in San Francisco, was attended by staff from 15 counties and approximately 300 families. A total of 63 African American children from San Francisco who were available for adoption were in attendance. Of the 300 families in attendance at the Fair, 58 families indicated an interest in pursuing adoption of a San Francisco child.
- (c) Ms. O'Reilly reports that the DSS budgeted \$104,862 in 1991-92 for foster care recruitment. The proposed budget for 1992-93 for foster care recruitment, which has been approved by the Social Services Commission and submitted to the Mayor's Office includes a total of \$103,122. A summary of the 1991-92 approved and 1992-93 requested budgets for foster care recruitment are as follows:

	1991-92 <u>Approved Budget</u>	1992-93 <u>Requested Budget</u>
Media advertising recruitment materials	\$1,450	\$2,900
Contracts		
Marketing Consultant, video, brochures	50,000	21,000
Adoption home studies	1,000	1,000
Foster Parent training	8,972	14,322
Adoption Fairs	5,750	6,500
Photographs of Foster children	8,000	8,000
Advertising display equipment/supplies	4,210	0
Other Equipment/computers/supplies	7,980	900
Home modifications, for licensing	16,500	16,500
Finders fees	1,000	7,000
Respite Care Services	0	25,000
Total	\$104,862	\$103,122

- (d) DSS issued a RFP, on June 15, 1990, to contract with a community-based agency with demonstrable expertise in recruiting African American foster and adoptive families. DSS reports that, as a result of the RFP process, Naomi Gray and Associates and Calvin Jones Jr. and Associates were selected to provide recruitment services. Both contracts were for a six-month period ending December 31, 1990. The contract with Naomi Gray and Associates was in the amount of \$21,000 and the contract with Calvin Jones Jr. and Associates is in the amount of \$14,000. Naomi Gray and Associates is a MBE/WBE firm and Calvin Jones Jr. and Associates is a MBE firm. DSS advises that,

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



under these two contracts, the goal was to recruit 500 African American foster parents by December 31, 1990. 300 of the total 500 foster parents were to be recruited by Naomi Gray and Associates and the remaining 200 were to be recruited by Calvin Jones Jr. and Associates. According to DSS, the actual number of African American foster parents recruited under these two contracts was approximately 75 to 80.

- (e) DSS continues to use the services of private placement agencies such as the Black Adoption Placement and Research Center. In addition, DSS has identified organizations such as churches, ministerial alliances, and Black employee groups which have access to potential African American foster and adoptive families.
- (f) DSS's recruitment staff participate in public events, the Annual Adoption Fair, street fairs, and community outreach activities at shopping malls and other public gatherings.

3. Foster care rates are set by the State. DSS advises that, based on a U.S. Supreme Court ruling, relatives are paid the same rate, to provide foster care, as are foster parents who are not relatives, providing that the child is eligible for Federal foster care funding. However under State law, relatives who provide foster care to children, who are eligible for County and/or State foster care funding only, cannot receive foster care funding for their services. However, these relatives would be eligible for AFDC. DSS reports that although a State bill to change this law was defeated last year, the Department is continuing to work with the State Legislature to get the law changed to provide that all relatives providing foster care would be eligible to receive the established foster care rate. The current foster care rates for long term placement are outlined below:

<u>Age of Foster Care Children</u>	<u>Monthly Base Rate</u>	<u>Monthly Rates At</u>		
		<u>Level I*</u>	<u>Level II*</u>	<u>Level III*</u>
0-4	\$345	\$694	\$835	\$977
5-8	375	494	588	683
9-11	400	529	624	717
12-14	444	588	683	776
15-18	484	641	741	834

\*The level of payment above the base rate is determined by the specific foster child's special needs, as related to emotional, social, developmental or medical problems.





Item 3 - File 287-92-1

**Note:** This item was continued from the Economic and Social Policy Committee meeting on May 28, 1992.

1. The proposed resolution would urge the Mayor to urge the Board of Trustees of the Fine Arts Museums and the Asian Art Commission to establish available space for an African and African American Art Museum, or recommend suitable space for an African and African American Art Museum.

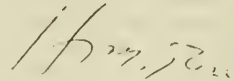
2. Mr. Harry Parker, Director of the Fine Arts Museums reports that the Fine Arts Museums is supportive of the concept to develop a museum program and setting dedicated to the exhibition of African and African American Art. Mr. Parker advises that he along with Mr. Thad Brown, the City's Tax Collector and a member of the Board of Trustees of the Fine Arts Museums, recently met with the lead sponsor of the proposed legislation to discuss the proposal for an African and African American Museum and to explore options for a potential site. Mr. Parker advises that while the meeting was a very positive step forward, no specific proposal for an African and African American Museum was presented during the discussion. Mr. Parker advises that he and Mr. Brown did emphasize the following points of information:

- (1) The Fine Arts Museums' plans include efforts to continue to attract a multi-cultural audience, and currently, two new African American exhibits are being planned.
- (2) The Fine Arts Museums' draft Master Plan for the M.H. de Young Memorial Museum, calls for the expansion of the Museums' existing ethnographic art galleries and contemporary art galleries into the space to be vacated by the planned relocation by 1997 of the Asian Art Museum to the Main Library building in the Civic Center. The Museums are considering ways of presenting a connection between these galleries and the American Art galleries, which would possibly provide a more multi-cultural interpretation of American art.
- (3) The Fine Arts Museums suggest that the sponsors of the proposed legislation may want to consider working with the Museums to expand the presence of African American Art at the de Young Museum as opposed to creating a separate museum entity. The opinion was expressed that by so doing, the number of visitors exposed to African American art would be increased because of the high volume of visitors that attend the Fine Arts Museums.
- (4) If the sponsors of the proposed legislation are only interested in the development of a separate museum, the Fine Arts Museums would be willing to provide advice to whomever is responsible for overseeing the development of the museum and to advise on the acquisition of an appropriate site.

3. As noted above, no specific proposal has been developed, at this time, for the establishment of an African and African American Museum. As such, there is no available information regarding (1) the physical structure of the museum under consideration (i.e., an independent free-standing facility or an extension of an existing museum facility), (2) whether the museum would be public or private and how it would be staffed and governed and (3) the museum's relationship to the City and to other museum organizations. Without such information, the potential cost to the City for the establishment of the proposed African and African American Art Museum cannot be determined.

**Recommendation**

Approval of the proposed resolution is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Alioto  
Supervisor Conroy  
President Shelley  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Jean Mariani  
Barbara Kolesar  
Ted Lakey

22  
1/92  
CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
—BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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JUL 13 1992  
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TUESDAY, JULY 14, 1992 - 2:00 P.M.

2ND FLOOR, CHAMBER  
CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ALIOTO, CONROY

CLERK: MARY L. RED

SPECIAL ORDER - 2:00 P.M.  
JOINT ESP/REDEVELOPMENT AGENCY MEETING

REDEVELOPMENT AGENCY COMMISSIONERS: BAGOT, MARDIKIAN, BOLANOS,  
KITAHATA, KING

1. File 161-92-3. Hearing to consider how the Redevelopment Agency plans to distribute \$5 million allocated for economic development. (Supervisor Kennedy)

ACTION:

2. File 161-92-3.1. Hearing to consider the African-American Economic Empowerment Task Force recommendations for the \$3.2 million in Economic Development Funds. (Supervisor Kennedy)

ACTION:

REGULAR CALENDAR

3. File 107-90-2. Hearing to consider the Department of Social Services' Fraud Early Detection Program. (Supervisor Kennedy)  
(Calendared to File)

ACTION:

4. File 40-92-5. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "U" in the South of Market area; and adding Bonifacio, Dore, Langton, Lapu-Lapu, Mabini, Rizal, and Tandang Sora Streets to the list of streets upon which time limitations shall apply. (Parking and Traffic Department)

ACTION:

5. File 12-92-29. [State Legislation] Resolution supporting SB 1141, which would fully establish bicycle use as an integral part of California's multimodal transportation system. (Supervisor Britt)

ACTION:

6. File 174-92-3. [Advisory Task Force on Homelessness] Resolution establishing Homeless Advisory Task Force to advise the Board of Supervisors on issues relating to homelessness. (Supervisor Kennedy)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

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OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 10, 1992

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JUL 14 1992

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TO: Economic and Social Policy Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: July 14, 1992 Joint Economic and Social Policy and Redevelopment Agency Committee Meeting

### Items 1 and 2 - Files 161-92-3 and 161-92-3.1

These items are hearings to 1) consider how the Redevelopment Agency plans to distribute \$5 million allocated for economic development, and 2) consider the African-American Economic Empowerment Task Force recommendations for the \$3.2 million in Economic Development Funds.

### Description

The San Francisco Redevelopment Agency FY 1992-93 budget includes \$6,726,000 to finance economic development activities to be allocated to the following activities and areas:

#### Business Assistance: Business Development and Technical Assistance

Western Addition, Hunters Point & India Basin	\$190,000	
South of Market	<u>150,000</u>	
Subtotal		\$340,000

#### Employment Service: Employment Development and Placement Assistance

Western Addition	\$266,000	
Hunters Point & India Basin	150,000	
South of Market	<u>220,000</u>	
Subtotal		\$636,000

Business Development and Revitalization

Western Addition: Economic Revitalization Program	\$275,000	
Western Addition: Small Business Incubator Loan Program	25,000	
Western Addition: Economic Revitalization Program*	1,263,000	
Hunters Point: Economic Revitalization Program*	2,187,000	
Chinatown: Economic Revitalization Program	<u>2,000,000</u>	
Subtotal		\$5,750,000
Total Economic Development 1992-93 Budget		<u>\$6,726,000</u>

\* During the 1992-93 budget review, \$1,263,000 for the Western Addition Economic Revitalization Program and \$2,187,000 for the Hunters Point: Economic Revitalization Program, for a total of \$3,450,000, have been recommended to be placed on reserve by the Finance Committee pending submission of an economic development plan.

The Redevelopment Agency has identified the following specific economic development goals for FY 1992-93:

- Identify at least three opportunity sites for commercial revitalization projects in project areas.
- Establish financing pools to assist small businesses.
- Originate and process at least five approved loan packages for the facade Improvements Loan Program for business in the South of Market Redevelopment Area and originate and process at least five approved loan packages for the South of Market guaranteed loan program.
- Implement Phase I recommendations for the Third Street Commercial Revitalization Program.
- Implement recommended programs for Chinatown.
- Implement recommended programs for Western Addition, India Basin and Hunters Point Redevelopment Areas.
- Conclude lease negotiations with the Navy regarding disposition of Hunters Point Naval Shipyard.
- Provide technical support for Citywide development plans.



Memo to Economic and Social Policy Committee  
July 14, 1992 Economic and Social Policy Committee Meeting

- Successful placement of at least three small businesses in Bayview Plaza and Fillmore Center.
- Develop a small business incubator project in the Western Addition to assist small businesses.

African American Economic Empowerment Task Force Recommendations

Last year, the African American Economic Empowerment Task Force, composed of 25 members, was appointed by the Mayor to 1) advise the San Francisco Redevelopment Agency on the disbursement of the approximately \$3.2<sup>1</sup> million remaining to be allocated out of the agency's economic development funds targeted for the Western Addition and Hunters Point, and 2) to recommend policies, projects and activities that would help to promote small business and employment for African Americans. The Task Force began meeting in August of 1991 and completed a report in April of 1992 that addresses the first charge to advise the San Francisco Redevelopment Agency on the disbursement of the approximately \$3.2 million remaining to be allocated out of the agency's economic development funds targeted for the Western Addition and Hunters Point. In the April, 1992 report the Task Force recommends allocating \$3,177,037 of economic development funds as follows:

Small Business Revolving Loan Fund \$2,377,037

To provide additional capitalization of \$2,377,037 for the Agency's Small Business Loan and Investment Program, and to revise the eligibility requirements and underwriting criteria of the Program, including expanded geographic area and increased loan amounts.

Youth Entrepreneurship Project 300,000

To establish a pilot project using \$300,000 to fund activities, programs and projects which promote youth (under 24 years of age) involvement in business and entrepreneurship.

Marketing and Cultural Promotions 250,000

To establish a \$250,000 fund to develop, market, and promote cultural activities and African American Business enterprise.

Planning and Research 250,000

To establish a \$250,000 fund for long-term planning, research of emerging development issues, coordinating community planning and related activities.

Total \$3,177,037

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<sup>1</sup> In FY 1992-93 the Agency budgeted \$3,450,000 for economic development programs in the Western Addition and Hunters Point.

**Comments:**

1. The Budget Analyst completed a management audit of the San Francisco Redevelopment Agency in January of 1992 which included a finding and subsequent recommendations on the Redevelopment Agency's Economic Development Program. The following is a summary of this finding:

The process of implementing the Agency's economic development program has not occurred in an effective and efficient manner. The Agency Commission has yet to adopt an implementation plan for the program since its inception two years ago, funds have not been awarded through a competitive evaluation process, and no needs assessment has occurred prior to awarding funds for economic development programs. Additionally, the Mayor's Office of Economic Planning and Development has not developed goals and objectives to guide agency activities and to ensure the Agency resources are used as efficiently as possible.

This does not mean that each of the individual economic development programs adopted by the Agency have been flawed but that the Agency should take a number of steps to improve the effectiveness of the economic development program. The Board of Supervisors should not approve any additional funds for Agency economic development until the Agency Commission has adopted a comprehensive implementation plan and the Mayor's Office of Economic Planning and Development has developed a procedure to set annual goals and objectives and define how the activities of the Agency and other City departments participating in economic development will fulfill those goals and objectives. In addition, the Agency Commission should not approve any additional economic development contracts until these plans are completed.

2. As previously noted, during the 1992-93 budget review, the Finance Committee recommended a reserve of \$3,450,000 in previously appropriated but unspent economic development funds for the Western Addition and Hunters Point Redevelopment areas, pending submission of a comprehensive economic development implementation plan that has been approved by the Redevelopment Commission.

Item 3 - File 107-90-2

**Note:** This item was continued from the Economic and Social Policy Committee Meeting of February 25, 1992.

The Budget Analyst has prepared and transmitted a report, dated September 18, 1991, on the cost effectiveness of the "Front-end" early fraud detection (FRED) Program. For specific details, refer to the September 18, 1991 Budget Analyst report on the cost effectiveness of the FRED Program.

**Department:** Department of Social Services (DSS)

**Item:** Hearing on the Department of Social Services' "Front-end" Early Fraud Detection (FRED) Program.

**Description:** In March of 1990, DSS began operating a "Front-end" early fraud detection program, known as FRED, for the Aid to Families with Dependent Children (AFDC), Food Stamps, and General Assistance Programs. According to DSS, San Francisco is the 24th county in California to develop a FRED Program. The objectives of the FRED Program are to:

- 1) Prevent ineligible persons from receiving aid for which they have applied;
- 2) Reduce the number of referrals for prosecution of welfare fraud;
- 3) Attempt to find, for ineligible persons, alternative sources of aid for which they are eligible.

The FRED Program attempts to verify information given in client applications, which are used to determine the eligibility of the client. FRED investigators do not review all applications; rather, eligibility workers for the AFDC, Food Stamps, and General Assistance Programs refer selected applications to the FRED Program for verification. DSS investigators for the FRED Program verify application information through home visits, client interviews, authorized third party contacts, and other resources. After the investigator verifies the application information, the investigator recommends that the client either receive aid, be denied aid, or be referred to another aid program for which the client may be eligible.

The FRED Program is staffed with one Supervisor, eight Eligibility Workers, one Social Worker, and one Clerk.

Memo to Economic and Social Policy Committee  
July 14, 1992 Economic and Social Policy Committee Meeting

For the period July 1, 1990 through June 30, 1991, the FRED Program has handled an estimated 1,994 case referrals. Of the total of 1,994 referrals, FRED Program staff found 987 cases to be ineligible and recommended that aid be denied or discontinued for these 987 cases.

- Comments:**
1. The Budget Analyst, in the report on the cost effectiveness of the FRED Program, estimates that, for the period July 1, 1990 through June 30, 1991, the FRED Program, prior to DSS expenses, saved a total of \$1,640,914 or about \$823 per referral of the total of 1,994 referrals. Taking into account the costs of the FRED Program, the net savings for FY 1990-91 is estimated to be \$1,189,085.
  2. Of the total net savings of \$1,189,085 for FY 1990-91, approximately \$537,072 (45.2 percent) would accrue to the Federal Government; \$535,881 (45.0 percent) would accrue to the State; and \$116,132 (9.8 percent) would accrue to the County General Fund. The reason why most of the savings accrue to the Federal and State governments is because the AFDC program is 95 percent funded by the Federal and State governments. The City pays for the remaining five percent of the cost of the AFDC program. The Food Stamps program is fully funded by the Federal government. Therefore, the Federal and State governments receive most of the savings benefit from the FRED Program.
  3. For FY 1991-92, the Budget Analyst projects that the FRED Program will yield a total net savings of \$1,684,385, of which approximately \$710,379 (42.2 percent) is savings to the Federal Government; \$673,219 (40 percent) is savings to the State; and \$300,787 (17.9 percent) is savings to the County General Fund.



Item 5 - File 12-92-29

**Item:** Resolution supporting SB 1141, which would fully establish bicycle use as an integral part of California's multi-modal transportation system.

**Description:** Existing State law provides for the construction and maintenance of transportation facilities, such as thoroughfares and parking facilities, for non-motorized vehicles, including bicycles. In addition, existing State law provides that \$360,000 of State highway funds, generated through gasoline tax revenues, be deposited to the State Bicycle Lane Account to fund bikeways, defined as bicycle paths, lanes, or routes, upon application for funding to the California Department of Transportation (CalTrans).

After this \$360,000 amount is allocated to the Bicycle Lane Account, remaining gasoline tax revenues are allocated directly to cities and counties, based on a formula involving the number of vehicle registrations and population, for maintenance of streets and roads.

At the present time, current law also requires that \$9 million in State General Fund monies be deposited annually to the State Bikeway Account for construction of bikeways. However, the State has not appropriated funds to this account in recent years.

The proposed Senate Bill No. 1141 (SB 1141) would consolidate existing sections of law concerning non-motorized transportation and bikeway projects, which are now contained in different sections of the Street and Highways Code, in a single Chapter. The proposed legislation would also eliminate the State Bikeway Account to which no appropriations have been made in recent years. Gasoline tax revenues to the Bicycle Lane Account would increase from \$360,000 to \$2.4 million per year, and would continue to be appropriated to proposed projects submitted by cities, counties, and local transportation planning agencies.

**Comments:** 1. Contacts with the County Transportation Authority, Department of Parking and Traffic, and Bicycle Advisory Committee indicate that San Francisco has not previously applied to receive funding from the \$360,000 Bicycle Lane Account.

2. According to Mr. Ted Kimsey of the Metropolitan Transportation Commission (MTC), the California League of Cities is opposed to the proposed legislation because it would divert approximately \$2.04 million to the Bicycle Lane Account (\$2.4 million in proposed funding less \$360,000 in current funding to the Bicycle Lane Account). The funds which would be diverted are now appropriated to cities and counties throughout the State for maintenance of streets and roads.

Mr. Kimsey indicates that MTC supports the proposed State legislation because of the agency's wish to enhance alternative forms of transportation and improve regional air quality.

3. The Department of Public Works (DPW) reports that the City and County expects to receive \$2,402,327 in State highway funds (under the section of law which would be amended by SB 1411) for maintenance of streets and roads in fiscal year 1992-93. DPW reports that total funding State-wide for streets and roads under this section of law is estimated at \$131,372,000 in 1992-93. San Francisco therefore receives approximately 1.8 percent of the State highway funds which are allocated to cities and counties under this section of State law.

If \$2.04 million of the funds provided under this section of law were diverted to the Bicycle Lane Account, San Francisco would therefore lose approximately 1.8 percent of \$2.04 million, or approximately \$36,720, in funds for maintenance of streets and roads.

4. The State provides additional funding for maintenance of streets and roads from gasoline tax revenues, under other sections of the California Streets and Highways Code. DPW reports that San Francisco expects to receive a total of \$7,176,855 in gasoline tax revenues from the State for maintenance of streets and roads in 1992-93.

The \$36,720 which could be lost if SB 1141 is approved therefore represents 0.5 percent (one half of one percent) of total State gasoline tax revenues which DPW expects to receive for streets and roads in 1992-93.

5. The City could benefit from the proposed State legislation by applying to CalTrans for funding for bikeway projects from the Bicycle Lane Account.



**Recommendation:** Approval of the proposed resolution is a policy matter for the Board of Supervisors.



Item 6 - File 174-92-3

The proposed resolution would establish an Advisory Task Force on Homelessness to advise the Board of Supervisors on issues relating to homelessness.

The proposed Advisory Task Force on Homelessness would report to the Board of Supervisors every three months on issues relating to homelessness which would include, but not be limited to the following areas: 1) Conditions in City funded programs; 2) Impacts of local, State, and Federal budgets on homelessness; 3) Impacts of proposed local, State, and Federal legislation on homelessness; 4) Civil rights of homeless people and; 4) Recommended legislation or policy changes.

The Advisory Task Force on Homelessness would consist of 19 members appointed by each of the participating organizations and agencies who would then be confirmed by the Board of Supervisors. The Advisory Task Force on Homelessness would be chaired by a member of the Board of Supervisors with support staff provided by the Office of the Clerk of the Board. The 19 members would represent the following officials and groups: The Mayor of San Francisco or his designee, a member of the Board of Supervisors, the General Manager of the Department of Social Services (DSS) or her designee, the Director of Public Health or his designee, and a designee from each of the following organizations: The Coalition on Homelessness, the Homeless Task Force, the Service Providers Coalition, the Homeless Veterans Action Committee, the Coalition for Homeless Women and Children, the Income Rights Projects, the Family Service Providers Coalition, the Outreach Workers Coalition, Food Not Bombs, the Economic Rights Task Force of the National Lawyers Guild, the HIV Housing Task Force, the San Francisco Coalition on Homelessness, the Council of Community Housing Organizations, the DSS Shelter Advisory Committee, and the Homeless Shelter and Housing Providers Association.

Comments

1. Mr. Paul Boden of the Coalition on Homelessness was responsible for supplying the names of the organizations listed above for the Advisory Task Force on Homelessness. Mr. Boden advises that his selections were based on the fact that if each of the proposed groups were confirmed by the Board of Supervisors they would represent a diverse coalition of persons interested in the issues surrounding homelessness in San Francisco. Mr. Boden commented that his preference was to choose coalition organizations representative of multiple non-profit organizations as opposed to individual non-profit organizations because he felt it was important to represent the issues on a broader scope rather than by individual organization.

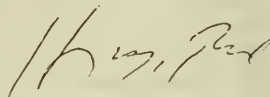
2. As noted above, the proposed resolution provides that support staff for the Advisory Task Force on Homelessness would be provided by the Office of the Clerk of the Board. Mr. John Taylor, the Clerk of the Board, reports that he does not feel the support staff should be supplied by the Office of the Clerk of the Board, but instead by the Homeless Coordinator in the Mayor's Office who would be more knowledgeable on the issues surrounding homelessness. Mr. Taylor indicates that the support which would be required would pose a burden on the Clerk of the Board's staff in

Memo to Economic and Social Police Committee  
July 14, 1992 Economic and Social Policy Committee Meeting

terms of the time required to xerox, type agendas, and place newspaper ads etc. However, Mr. Taylor advises that the support work could be absorbed by his existing office budget and therefore would have no added fiscal impact. Mr. Boden indicates that most of the preparation and follow-up work to the Advisory Task Force on Homelessness meetings would be completed by appointed members of the Advisory Task Force on Homelessness.

3. The proposed Advisory Task Force on Homelessness would automatically expire on June 30, 1995.

4. The sponsor of the legislation reports that an amendment to the whole will be introduced at the Economic and Social Policy Committee Meeting on July 14, 1992 which would delete the language on page 2, lines 20 through 23 of the resolution. This amendment would eliminate the provision that the Advisory Task Force on Homelessness would be chaired by a member of the Board of Supervisors with support staff provided by the Office of the Clerk of the Board, and would also correct some clerical errors.



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Alioto  
Supervisor Conroy  
President Shelley  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Jean Mariani  
Barbara Kolesar  
Ted Lakey

BOARD OF SUPERVISORS  
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CALENDAR

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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TUESDAY, JULY 28, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 15-92-1. [Taxi Zones] Rescinding taxi zone on Mason Street, west side, from 58 feet to 80 feet north of Post Street (22-foot zone); and Mason Street, west side, from 102 feet to 140 feet north of Post Street (38-foot zone). (Department of Parking and Traffic)
- (b) File 18-92-10. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)

Stop Signs - Establish

Rutland Street and Tucker Avenue, northeast and southwest corners, stopping Tucker Avenue traffic;

Rhine and Wilson Streets, northwest and southeast corners, stopping Rhine Street traffic;

Williams Avenue, Neptune Street and Newhall Street, northeast and southwest corners, stopping Williams Avenue traffic (makes this an all-way Stop);

Arguello Boulevard and Jackson Street, northwest and southeast corners, stopping Arguello Boulevard traffic (makes this an all-way Stop);

19th Avenue and Anza Street, northwest and southeast corners, stopping 19th Avenue traffic (makes this an all-way Stop);

Beverly and Shields Streets, southwest and northeast corners, stopping Shields Street traffic;

Mariposa and Bryant Streets, northwest and southeast corners, stopping Bryant Street traffic (makes this an all-way Stop);

Caine and Lakeview Avenues, northwest corner, stopping Caine Avenue traffic;

Holloway Avenue and Monticello Street, southeast and northwest corners, stopping Monticello Street traffic;

Lakeview and Margaret Avenues, all corners, stopping all approaches (makes this an all-way Stop).

- (c) File 19-92-9. [Parking Regulations] Recommending establishment and extension of parking regulations, various streets. (Department of Parking and Traffic)

Extended Hours of Parking Meter Operation – Establish

Pierce Street parking lot (3252 Pierce Street) 9 a.m. to 10 p.m. everyday.

4-Hour Parking Time Limit, 7 a.m. to 6 p.m., Monday Through Saturday – Rescind

1-Hour Parking Time Limit, 7 a.m. to 6 p.m., Monday through Saturday – Establish

Missouri Street, eastside, from Army Street to north terminus.

Motorcycle Parking Stalls (Non-Metered) – Establish

Harrison Street, north side, from the east property line at 1354 Harrison Street to 18 feet westerly (18-foot zone, 5 stalls).

4-Hour Parking time limit, Monday through Friday, 9 a.m. – 6 p.m.–Establish

Thomas Avenue, both sides, from Silver Avenue to north terminus.

No Parking Anytime – Establish

Thomas Avenue, end portion of cul-de-sac, north of Silver Avenue (adjacent to and including Phillip Burton High School driveway).

Tow-Away, No Parking Anytime – Establish

Dearborn Street, both sides, between 18th and Bird Streets (replaces existing No Parking Anytime regulation).

Parking Meter Area 3 – Rescind

14th Street, north side, from 102 feet west of Valencia Street westerly to Guerrero Street.

14th Street, south side, from 67 feet west of Valencia Street westerly to Guerrero Street.

Perpendicular (90-Degree Angle) Parking – Rescind

Connecticut Street, east side, between 16th and 17th Streets.

Perpendicular (90-Degree Angle) Parking – Establish

Connecticut Street, west side, between 16th and 17th Streets.

- (d) File 20-92-10. [Traffic Regulations] Recommending establishment and rescinding of traffic regulations, various streets. (Department of Parking and Traffic).

All-Day Transit Lanes – Rescind

Transit Lanes, 7-9 a.m. and 4-6 p.m., Monday through Friday – Establish

Sutter Street, north side, Sansome Street to Kearny Street.

Tow-Away No Stopping Anytime – Establish

Stanyan Street, east side, from Fell Street to 145 feet north (145-foot zone).



O'Farrell Street, north side, from St. Joseph's Street to 110 feet westerly (110-foot zone).

Tow-Away No Stopping Anytime – Rescind

Main Street, west side, from Mission Street to 52 feet north (52-foot zone).

Sutter Street, north side, Stockton Street to Gough Street.

Post Street, south side, Gough Street to Grant Avenue.

Left Lane Must Turn Left – Establish

Clement Street, eastbound and westbound, at Park Presidio Boulevard.

Lake Street, eastbound and westbound, at Park Presidio Boulevard.

California Street, eastbound and westbound, at Park Presidio Boulevard.

Balboa Street, eastbound and westbound, at Park Presidio Boulevard.

Left Lane Must Turn Left – Rescind

O'Farrell Street, eastbound at Grant Avenue.

Right Lane Must Turn Right – Establish

Mission Street, northbound, at 13th Street.

Sutter Street westbound, at Sansome Street.

Right Lane Must Turn Right – Rescind

Market Street, westbound, at Sutter Street.

No Turn on Red – Establish

Chestnut Street, eastbound and westbound, at Columbus and at Taylor Street.

Green Zone, 7 a.m. – 12 Midnight Everyday – Time Extension (Fee Required)

1524 Silver Avenue, 20 feet east from west building line (20-foot zone).

No Left Turn, Buses Excepted – Establish

Mission Street, southbound, at 14th Street.

ACTION:

REGULAR CALENDAR

2. File 27-90-2. Hearing to consider the compliance of the Human Rights Commission and the Airport with the Local Minority/Women Business Enterprise ordinance. (Supervisor Kennedy) (Continued from 1/14/92)

ACTION:

3. File 284-92-4. Hearing to consider adding Architectural and Engineering Subcontracting to the MBE/WBE/ LBE Ordinance. (Supervisor Kennedy)

ACTION:

4. File 174-92-3. [Advisory Task Force on Homelessness] Resolution establishing Homeless Advisory Task Force to advise the Board of Supervisors on issues relating to homelessness. (Supervisor Kennedy)  
(Continued from 7/14/92)

ACTION:

5. File 164-92-1. [Vacation of Subsurface Street Areas] Resolution declaring intention of Board of Supervisors to vacate certain subsurface street areas in the Yerba Buena Center Redevelopment Project Area in that portion bounded by Mission, Howard, Fourth and Third Streets, and setting the hearing date for all persons interested in the proposed vacation, and rescinding previous street vacation resolution and ordinance in order to correct an error in the description of the areas to be vacated and to clarify the intention of the Board of Supervisors that no easements for the facilities of utilities in the vacated areas shall be reserved. (Supervisor Hallinan) (Companion measure to File 164-92-1.1)

ACTION:

6. File 164-92-1.1. [Vacation of Subsurface Street Areas] Ordinance ordering vacation of certain subsurface street areas in the Yerba Buena Center Redevelopment Project Area in that portion bounded by Mission, Howard, Fourth and Third Streets, rescinding previous street vacation ordinance in order to correct an error in the description of the areas to be vacated and to clarify the intention of the Board of Supervisors that no easements for the facilities of utilities in the vacated areas shall be reserved, and findings that the vacation is consistent with the eight priority policies of the City Planning Code. (Supervisor Hallinan) (Companion measure to File 164-92-1)

ACTION:

7. File 164-92-2. [Street Vacation] Resolution declaring intention of Board of Supervisors to vacate a portion of Keith Street located between Newcomb and LaSalle Avenues; and setting the hearing for all persons interested in the proposed vacation. (Real Estate Department) (Companion measure to File 164-92-2.1)

ACTION:

8. File 164-92-2.1. [Street Vacation] Ordinance ordering vacation of a portion of Keith Street located between Newcomb and LaSalle Avenues, and authorizing conveyance thereof to the owner of the abutting property (San Francisco Redevelopment Agency); and finding such actions are in conformity with the Master Plan. (Real Estate Department) (Companion measure to File 164-92-2)

ACTION:

9. File 18-92-9. Hearing to consider establishing four-way Stop intersections at the corners of Grove and Central Streets and Grove and Lyon Streets. (Supervisor Migden)

ACTION:



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July 24, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** July 28, 1992 Economic and Social Policy Committee Meeting

Item 2 - File 27-90-2

**Note:** This item was continued from the January 14, 1992, Economic and Social Policy Committee meeting.

1. This item is a hearing to consider the compliance of the Human Rights Commission and the Airport with the Local Minority/Women Business Enterprise Ordinance.

2. Section 12D.3 of the Minority/Women/Local Business Ordinance outlines the policy of the City as follows:

"It is the policy of the City to ensure full and equitable opportunities for Minority Business Enterprises, Women Business Enterprises and local businesses to participate as prime contractors in the provision of goods and services to the City. This program is intended to correct identified discriminatory practices inherent in the City's procurement process and in the award of prime contracts to MBE/WBEs and to develop their status and capability as prime contractors of the City."

3. Section 12D.4 of the Ordinance provides that MBE and WBE bid preferences of the Ordinance shall be afforded to economically disadvantaged minority and women-owned businesses subject to the following exemptions:

- a. When the Director of the Human Rights Commission finds, with the advice of the contract awarding authority, that needed goods or services are available only from a sole source which is not an MBE or

WBE, and the prospective contractor is not currently disqualified from doing business with the City, or from doing business with any governmental agency, based on a failure to comply with MBE/WBE; or contract compliance requirements.

- b. If the contract awarding authority certifies in writing to the Director that (a) pursuant to the Administrative Code Section 6.30, the contract is necessary to respond to an emergency which endangers the public health or safety, and (b) there is no time to apply the bid preference and no MBEs or WBEs capable of performing the emergency work are immediately available, provided that the contract awarding authority certification was made prior to the Controller's contract certification.

4. Section 12D.14(E) of the ordinance requires that if the Director of the Human Rights Commission finds, after investigation, that a City Department in the process of awarding a contract(s) has deliberately failed to comply with the provisions of the ordinance, a written Finding of Noncompliance, specifying the nature of the noncompliance, must be transmitted to the City Department, the Commission, the Mayor and the Board of Supervisors. Additionally, the Director of the Human Rights Commission must attempt to resolve any noncompliance through conference and conciliation. If such efforts fail to resolve the noncompliance, the Director of the Human Rights Commission must transmit a copy of the Finding of Noncompliance, along with a finding that conciliation was attempted and failed, to the Human Rights Commission. The Human Rights Commission must notify the City Department to take appropriate action to secure compliance.

5. Certain allegations regarding the Airport's compliance with the Minority/Women Business Enterprise (MBE/WBE) Ordinance and with the Human Rights Commission's enforcement of that Ordinance have been made by various contractors and by the Commission's Contract Compliance Officer who monitors the Airport's contracts.

6. The Controller's Audits Division, at the request of the Board of Supervisors, conducted a limited scope review of construction contracts administered during the period of 1984 through 1990 by the Airport's Facilities, Operations and Maintenance Division. That review sought to obtain specific information on the following issues:

- a. The process of awarding Contract No. 1952;
- b. A review as to whether Airport contracts advertised as federally funded were funded from the City's General Fund;
- c. Procedures used for awarding emergency contracts.

7. Based on that review, the Controller's Audits Division issued an audit report, dated May 4, 1990, entitled "Contracting Practices and Procedures at San



Francisco International Airport.” The Report’s conclusions regarding the specific issues cited above are as follows:

The process of awarding Contract No. 1952

Our review disclosed that the awarding of the Contract No. 1952 was based on the HRC approval.

A review as to whether Airport contracts advertised as federally funded were funded from the City’s General Fund

Our tests did not identify any Airport contract advertised and awarded as federally funded which in fact was funded by the City’s General Fund.

Procedures used for awarding emergency contracts

Our tests indicate that there are procedures in place at the Airport in connection with emergency contracts that provide for participation by minority firms. However, it would be beneficial to have all the procedures involved in the processing of emergency contracts consolidated into a comprehensive checklist against which controls can be better monitored. Further, our tests indicate that the contract files are generally complete and that contracts are adequately monitored by the Facilities, Operations and Maintenance Division.



Item 3 - File 284-92-4

1. This item is a hearing to consider adding Architectural and Engineering subcontracting to the MBE/WBE/LBE ordinance.

2. Chapter 12D of the Administrative Code, "Minority/Women/Local Business Utilization" (MBE/WBE/LBE), was amended by Ordinance No. 79-92 in March of 1992 by amending Section 12D.9. to add a subcontracting program for enhancing construction subcontracting opportunities for MBEs and WBEs on City construction contracts. Currently, that public works/construction subcontracting program is the only MBE/WBE subcontracting program contained in Chapter 12D.

3. The amended Section 12D.9., "Additional Findings Supporting Race and Gender Conscious Bid Preferences and Subcontractor Participation Goals - Public Works/Construction; Subcontracting Program," provides a model for adding other subcontracting categories to Chapter 12D. Section 12D.9. includes findings that MBEs and WBEs continue to be awarded contract dollars in amounts that are disproportionately lower than the available number of MBE and LBE public works/construction contractors willing and able to perform City construction work and that race neutral measures employed by the City in the past for those construction contracts did not prevent discriminatory practices from occurring.

4. Section 12D.9. requires that for all public works/construction contracts which the contract awarding authority reasonably anticipates will include subcontractor participation, the contract awarding authority, prior to the solicitation of bids, shall provide the Director of the Human Rights Commission (HRC) with a proposed job scope. The Director then sets MBE/WBE participation goals based upon the extent of subcontracting opportunities presented by the contract and the availability of MBE/WBE subcontractors capable of providing goods and services on the construction contract. According to Section 12D.9., bidders on prime construction contracts must demonstrate in their bids that they have used good faith efforts to utilize MBE and WBE subcontractors. Prime bidders are also required to identify particular MBE and WBE subcontractors to be utilized in performing the contract.

5. Section 12D.9. provides that a contract awarding authority or a prime bidder may request that the Director of the HRC waive or reduce the amount of MBE and WBE subcontractor participation goals on construction contracts by submitting the reasons therefor. The Director may grant the request for waiver or reduction under specified conditions, such as the unavailability of qualified MBEs or WBEs capable of providing the goods or services required by the contract.

6. Section 12.D.9. also provides that whenever the Director of the HRC denies a contractor's request to waive or reduce the participation goals, the contractor may appeal that denial to the Subcontracting Goals Committee established pursuant to Section 12D.8.(A)4 of the MBE/WBE/LBE ordinance. The Subcontracting Goals Committee may override the Director and grant the request for waiver or reduction under specified conditions.

7. The public works/construction subcontracting program is applicable to WBEs and to all MBE ethnic categories.

### Comments

1. Section 12.D.11.(E) of the MBE/WBE/LBE ordinance, "Additional Findings Supporting the Race and Gender-Conscious Bid Preferences - Consultants and Professional Services," includes bid preferences on prime architectural and engineering contracts for Black, Asian, Latino, and women-owned firms.

2. Attachment 1 to this report is an extract of an HRC report that shows combined prime contracting and subcontracting participation for all San Francisco architectural and engineering contract awards by ethnic and gender categories for FY 1990-91, in three separate tables, as follows:

a. Table I shows all contract awards;

b. Table II shows all contract awards minus the removal of one large award from an MBE category, deemed by the HRC to possibly skew the data, and assigns that contract award to the non-minority category;

c. Table III shows all contract award with the one large award completely removed from the data.

3. Attachment 2 to this report shows the same data for FY 1989-90.

4. The data for FY 1990-91, prior to any adjustment (Table I of Attachment 1) show a statistically significant disparity between availability of architectural and engineering contractors and their usage in the categories of women, Asians, and Latinos.

5. The data for FY 1989-90, prior to any adjustment (Table I of Attachment 2) do not show a statistically significant disparity between availability of architectural and engineering contractors and their usage for WBEs or any ethnic category.

6. The City Attorney is in the process of preparing legislation for including an architectural and engineering subcontracting program in Chapter 12D of the Administrative Code. However, Mr. Edwin Lee, Director of the HRC, reports that such legislation will not be introduced at the subject hearing.

7. Mr. Lee reports that implementing an architectural and engineering subcontracting program would have a relatively small but undetermined effect on the HRC's workload.

Table I  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)  
PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 169 Awards Totalling \$11,217,898

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$:	6.17%	4.58%	0.69%	11.44%	88.56%	100.00%	2.79%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	28.06%	61.42%	14.90%	33.57%	134.35%	100.00%	10.89%
Statistical Signif	-4.963	-1.425	-2.443	-6.210	6.210	...	-6.801
Number of Contracts						169	

Note: Re statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

[Subtable]

01-Jun-92

Table II  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 169 Awards Totalling \$11,217,898

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.17%	1.16%	0.89%	8.02%	91.98%	100.00%	2.73%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	28.06%	15.54%	14.90%	23.52%	139.55%	100.00%	10.69%
Statistical Signif	-4.963	-3.119	-2.443	-7.149	7.149	...	-6.801
Number of Contracts						169	

Notes: All statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than +1.960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$384,212 JOINT VENTURE AWARD TO JORDAN & ASSOCIATES FROM THE BLACK PERCENTAGE OF AWARDS (CT3500056 - MUNI METRO EXTENSION - PUC893819). JV AWARD AMOUNT IS TREATED AS A NON-MINORITY AWARD.

[90aast1]



Table III  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 168 Awards Totalling \$10,833,696

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$\$	6.38%	1.20%	0.72%	8.30%	91.70%	100.00%	2.89%
Pct Availability	21.97%	7.48%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	29.06%	16.09%	15.43%	24.36%	139.11%	100.00%	11.28%
Statistical Signif	-4.880	-3.089	-2.420	-7.050	7.050	...	-6.752
Number of Contracts						168	

Note: For statistical significance, numbers of -1,950 or less (more negative) show statistically significant disparity. Numbers greater than -1,950 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$384,212 JOINT VENTURE AWARD TO JORDAN & ASSOCIATES FROM THE AWARD BASE. (CT3500066 - MUNI METRO EXTENSION - PUC 893819).

[9/aeis/2]

Table I  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 83 Awards Totalling \$13,936,466

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	19.30%	2.84%	3.41%	25.56%	74.44%	100.00%	14.65%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	84.84%	46.17%	80.04%	77.04%	111.40%	100.00%	71.04%
Statistical Signif	-0.749	-1.257	-0.384	-1.474	1.474	...	-1.345
Number of Contracts						83	

Note: For statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

[89aascub1 - Mainframe data downloaded to Paradox; Paradox Table 89aascub2]

Table II

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 83 Awards Totalling \$13,936,466

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$\$	11.73%	2.84%	3.41%	17.99%	82.01%	100.00%	14.65%
Pct Availability	22.76%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	51.57%	46.17%	80.04%	54.23%	122.72%	100.00%	71.04%
Statistical Signif	-2.394	-1.257	-0.384	-2.938	2.938	...	-1.345
Number of Contracts						83	

Note: All statistical significance, numbers of -1,960 or less (more negative) show statistically significant disparity. Numbers greater than -1,960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$1,054,720 SUBCONTRACT AWARD TO QUMIN STRUCTURAL DESIGN FROM THE ASIAN PERCENTAGE OF AWARDS (CT9092071 - NEW MAIN PUBLIC LIBRARY - DPW-8105). SUBCONTRACT AWARD AMOUNT IS TREATED AS A NON-MINORITY AWARD.

(89aeis11)

Table III

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 82 Awards Totalling \$12,881,746

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	12.69%	3.08%	3.69%	19.46%	80.54%	100.00%	15.84%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	55.79%	49.95%	86.59%	58.67%	120.52%	100.00%	76.66%
Statistical Signif	-2.172	-1.161	-0.256	-2.637	2.637	...	-1.068
Number of Contracts						82	

Note: For statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$1,064,720 SUBCONTRACT AWARD TO OLIN STRUCTURAL DESIGN FROM THE AWARD BASE (CT9092071 - NEW MAIN PUBLIC LIBRARY - DPW/9106).

[89aels2]

Item 4 - File 174-92-3

**Note:** This item was continued from the July 14, 1992 Economic and Social Policy Committee Meeting.

The proposed resolution would establish an Advisory Task Force on Homelessness to advise the Board of Supervisors on issues relating to homelessness.

The proposed Advisory Task Force on Homelessness would report to the Board of Supervisors every three months on issues relating to homelessness which would include, but not be limited to the following areas: 1) Conditions in City funded programs; 2) Impacts of local, State, and Federal budgets on homelessness; 3) Impacts of proposed local, State, and Federal legislation on homelessness; 4) Civil rights of homeless people and; 4) Recommended legislation or policy changes.

The Advisory Task Force on Homelessness would consist of 19 members appointed by each of the participating organizations and agencies who would then be confirmed by the Board of Supervisors. The Advisory Task Force on Homelessness would be chaired by a member of the Board of Supervisors with support staff provided by the Office of the Clerk of the Board. The 19 members would represent the following officials and groups: The Mayor of San Francisco or his designee, a member of the Board of Supervisors, the General Manager of the Department of Social Services (DSS) or her designee, the Director of Public Health or his designee, and a designee from each of the following organizations: The Coalition on Homelessness, the Homeless Task Force, the Service Providers Coalition, the Homeless Veterans Action Committee, the Coalition for Homeless Women and Children, the Income Rights Projects, the Family Service Providers Coalition, the Outreach Workers Coalition, Food Not Bombs, the Economic Rights Task Force of the National Lawyers Guild, the HIV Housing Task Force, the San Francisco Coalition on Homelessness, the Council of Community Housing Organizations, the DSS Shelter Advisory Committee, and the Homeless Shelter and Housing Providers Association.

**Comments**

1. Mr. Paul Boden of the Coalition on Homelessness was responsible for supplying the names of the organizations listed above for the Advisory Task Force on Homelessness. Mr. Boden advises that his selections were based on the fact that if each of the proposed groups were confirmed by the Board of Supervisors they would represent a diverse coalition of persons interested in the issues surrounding homelessness in San Francisco. Mr. Boden commented that his preference was to choose coalition organizations representative of multiple non-profit organizations as opposed to individual non-profit organizations because he felt it was important to represent the issues on a broader scope rather than by individual organization.

2. As noted above, the proposed resolution provides that support staff for the Advisory Task Force on Homelessness would be provided by the Office of the Clerk of the Board. Mr. John Taylor, the Clerk of the Board, reports that he does not feel the support staff should be supplied by the Office of the Clerk of the Board, but instead by the Homeless Coordinator in the Mayor's Office who would be more knowledgeable on the issues surrounding homelessness. Mr. Taylor indicates that the support which would be required would pose a burden on the Clerk of the Board's staff in terms of the time required to xerox, type agendas, and place newspaper ads etc. However, Mr. Taylor advises that the support work could be absorbed by his existing office budget and therefore would have no added fiscal impact. Mr. Boden indicates that most of the preparation and follow-up work to the Advisory Task Force on Homelessness meetings would be completed by appointed members of the Advisory Task Force on Homelessness.

3. The sponsor of the legislation reports that an amendment of the whole will be introduced at the Economic and Social Policy Committee Meeting that would A) correct some clerical errors, B) change the designation of the San Francisco Coalition on Homelessness to the San Francisco Council on Homelessness and C) eliminate the provision that the Advisory Task Force on Homelessness would be chaired by a member of the Board of Supervisors with support staff provided by the Office of the Clerk of the Board.

4. The proposed Advisory Task Force on Homelessness would automatically expire on June 30, 1995.



Items 5 and 6 - Files 164-92-1 and 164-92-1.1

**Department:** Redevelopment Agency

**Items:** Resolution declaring the intention of the Board of Supervisors to vacate certain subsurface areas in the Yerba Buena Center Redevelopment Project Area, to schedule a hearing for all persons interested in the proposed vacation, and to rescind a previous street vacation Resolution and Ordinance in order to correct an error in the description of the areas to be vacated and to clarify the intention of the Board of Supervisors that no easements for the facilities of utilities in the vacated areas shall be reserved (File 164-92-1).

Ordinance ordering the vacation of certain subsurface street areas in the Yerba Buena Center Redevelopment Project Area in that portion bounded by Mission, Howard, Fourth and Third Streets, rescinding a previous street vacation ordinance in order to correct an error in the description of the areas to be vacated, clarifying the intention of the Board of Supervisors that no easements for the facilities of utilities in the vacated areas shall be reserved and finding that the vacation is consistent with the eight priority policies of the City Planning Code (File 164-92-1.1).

**Description:** On November 8, 1986 Proposition B was approved pursuant to, and in accordance with the Community Redevelopment Law of the State of California to include the expansion of the Moscone Convention Center in the Redevelopment Agency's redevelopment plan for the Yerba Buena Center Redevelopment Project. The design approved by the Redevelopment Agency and the City for the expansion of the Moscone Center includes the subsurface street areas of Howard Street and portions of the subsurface street areas of Mission, Third and Fourth Streets to connect the old Moscone Center facility on the South side of Howard Street with the expansion of the Moscone Center located on the North side of Howard Street via underground tunnels.

On February 16, 1988 the Board of Supervisors approved Resolution 87-88 and Ordinance 137-88 vacating certain subsurface areas in the Yerba Buena Center Redevelopment Project Area in that portion bounded by Mission, Howard, Fourth and Third Streets based on the Department of Public Works Plan SUR-488. However, the Department of Public Works Plan Sur-488, incorrectly described the elevation of the proposed vacated areas on

Howard Street as 118.65 feet which was approximately one foot too low. The proposed resolution and ordinance (File 164-92-1 and File 164-92-1.1) would change the original elevation in Plan SUR 488 from 118.65 feet to 119.71 feet. This correction is reflected in the new Department of Public Works Plan Sur 1190.

The Yerba Buena Redevelopment Project property was purchased with revenues from the sale of bonds. As part of the bond transaction, the title company insuring title to the subsurface areas required that the City secure a McInerney judgment. Securing a McInerney judgment is a method of clearing the title to a piece of property so that if any party steps forward at a later date with a claim to the property in question they will not have a legal right to this property. The McInerney judgment was filed in July of 1988. However, the action was stalled immediately because Pacific Gas & Electric and Pacific Telephone contended that 1) the Board of Supervisors had implicitly reserved an easement to Pacific Gas & Electric and Pacific Bell because there was nothing in either Resolution 87-88 or Ordinance 137-88 stating that the easements were not being reserved and 2) that California State law requires that the Board of Supervisors must declare its intent not to reserve such easements at the time it vacates a street if this is their intent. Because Pacific Gas & Electric and Pacific Bell believe they have a reserved easement, Pacific Gas & Electric and Pacific Bell claim the City is responsible to incur the costs to relocate their facilities in the vacated areas.

The City Attorney's Office believes that the claims of Pacific Gas & Electric and Pacific Bell have little merit because even without including a statement of intent in the ordinance, the City Attorney believes the Board of Supervisors intent not to reserve an easement was unmistakable. However, in the exercise of caution by the City Attorney's Office, the proposed resolution (File 164-92-1) would approve the Department of Public Works Plan SUR-1190 with language inserted to clarify the intention of the Board of Supervisors that no easements for the facilities of Pacific Bell and Pacific Gas and Electric would be reserved in the vacated areas. Therefore, Pacific Gas & Electric and Pacific Bell would not have a legal claim to require the City of San Francisco to pay for the relocation of their facilities from the vacated areas.

**Comments:**

1. The proposed resolution (File 164-92-1) would schedule a hearing regarding the proposed vacation. Therefore, if the

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Economic and Social Policy Committee wishes to approve the proposed resolution, the legislation should be amended to set the date, hour and place of the hearing.

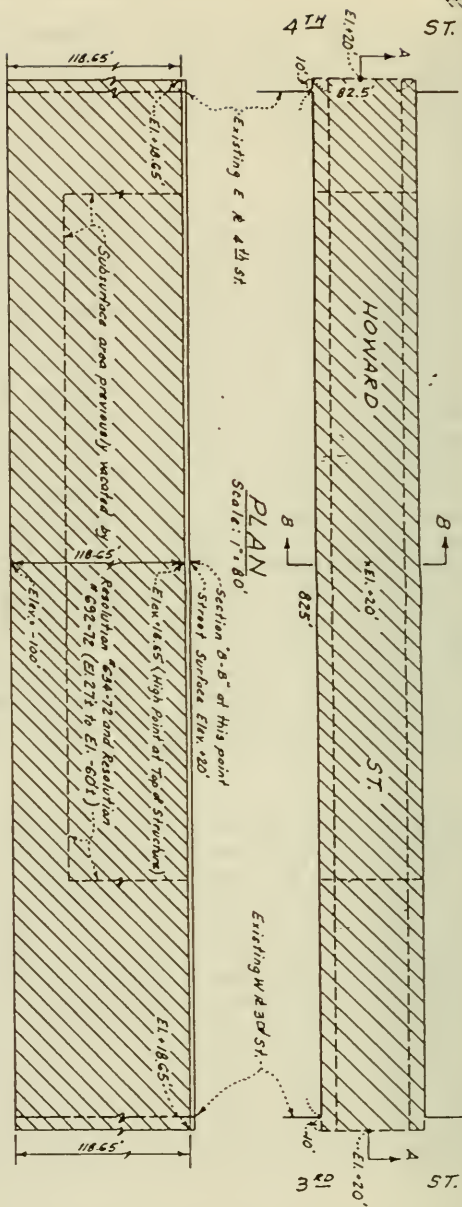
2. If the finding by the Board of Supervisors at a public hearing is in favor of vacating that portion of Mission Street, Third Street, Howard Street and Fourth Street, and in clarifying the intention of the Board of Supervisors that no easements for the facilities of utilities in the vacated areas shall be reserved, the proposed ordinance (File 164-92-1.1), authorizing the vacation of that portion of the street would then be considered by the Board of Supervisors.

3. The Department of City Planning reports that the proposed vacation is in conformity with eight priority policies of City Planning Code Section 101.1.

4. The Department of Public Work's Plan SUR-1190 illustrating the proposed vacation of subsurface areas is attached.

**Recommendations:** Amend the proposed resolution to set the date, hour and place of the public hearing (File 164-92-1), and approve as amended.

Refer the proposed ordinance to the Board of Supervisors without recommendation (File 164-92-1.1).



SECTION A-A

Scale: Horiz. 1"=80' Vert. No. Scale

(High Point at Top of Structure)

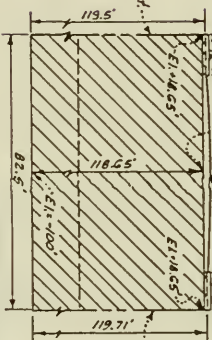
Street Surface Elevation of Howard St.  
(Section A-A at this point)

Existing S. & Howard St.

Existing N. & Howard St.

SECTION "B-B"

Scale: Horiz. 1"=30'  
Vert. No scale



NOTES

 All elevations shown are based on City Datum.  
 Subsurface area proposed to be vacated.

[illegible]



Items 7 and 8 - Files 164-92-2 and 164-92-2.1

**Department:** Redevelopment Agency

**Items:** Resolution declaring the intention of the Board of Supervisors to vacate a portion of Keith Street located between Newcomb Avenue and LaSalle Avenue, and to schedule a hearing for all persons interested in the proposed vacation (File 164-92-2).

Ordinance ordering the vacation of a portion of Keith Street located between Newcomb and LaSalle Avenues, and authorizing conveyance thereof to the owner of the abutting property (San Francisco Redevelopment Agency); and finding such actions are in conformity with the Master Plan (File 164-92-2.1).

**Description:** In accordance with the Redevelopment Plan for the Hunters Point approved project area, the portion of Keith Street between Newcomb and LaSalle Avenues will be merged into the adjacent Redevelopment Agency parcel, Block 4711 Lot 8. The project site, which would include the portion of Keith Street, would be developed with 27 affordable low to moderate income single-family townhomes known as Las Villas. The development is part of the Hunters Point affordable housing program being administered by the Redevelopment Agency.

On May 26, 1992, the Department of City Planning reported that the proposed vacation and conveyance of the portion of Keith Street is in conformity with the Master Plan. The proposed resolution would adopt the Department of Public Works Plan SUR-792.

**Comments:**

1. The proposed resolution (File 164-92-2) would schedule a hearing regarding the proposed vacation. Therefore, if the Economic and Social Policy Committee wishes to approve the proposed resolution, the legislation should be amended to set the date, hour and place of the hearing.
2. If the finding by the Board of Supervisors at a public hearing is in favor of vacating that portion of Keith Street, the proposed ordinance (File 164-92-2.1), authorizing the vacation of that portion of the street would then be considered by the Board of Supervisors.

3. If the Board of Supervisors orders vacating that portion of Keith Street, the Mayor and the Clerk of the Board of Supervisors, on behalf of the City and County of San Francisco, are authorized and directed to execute a Quitclaim Deed to the San Francisco Redevelopment Agency. The Director of Property would then be authorized to deliver a deed conveying the portion of Keith Street to the San Francisco Redevelopment Agency. Mr. Phil Westerguard of the Redevelopment Agency advises that this Quitclaim constitutes a transfer of ownership between the City of San Francisco and the Redevelopment Agency. However, because this transfer of property is in accordance with an agreement of cooperation between the City and the Redevelopment Agency which states that the City will not charge the Redevelopment Agency for any property which is transferred into a project area, there would be no cost to the Redevelopment Agency for this transfer. This property is part of the Hunters Point Approved Redevelopment Project Area. In addition, this portion of Keith Street is a "paper" street which means that it is only a street on paper and was never developed. This portion of Keith Street is actually a portion of a cliff. Therefore, there are no maintenance costs. Mr. Harry Quinn of the Real Estate Department advises that the Real Estate Department does not appraise property which is being transferred to the Redevelopment Agency for a project area. Therefore, no monetary value can be attributed to this portion of Keith Street.

4. The Department of City Planning reports that the proposed vacation is in conformity with the Redevelopment Plan which in turn is in conformity with the City's Master Plan.

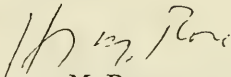
5. The Department of Public Work's plan SUR-792 illustrating the proposed vacation of subsurface areas is attached.

**Recommendations:** 1. Amend the proposed resolution to set the date, hour and place of the public hearing (File 164-92-2), and approve as amended.



Memo to Economic and Social Policy Committee  
July 28, 1992 Economic and Social Policy Committee Meeting

2. Refer the proposed ordinance to the Board of Supervisors  
without recommendation (File 164-92-2.1).

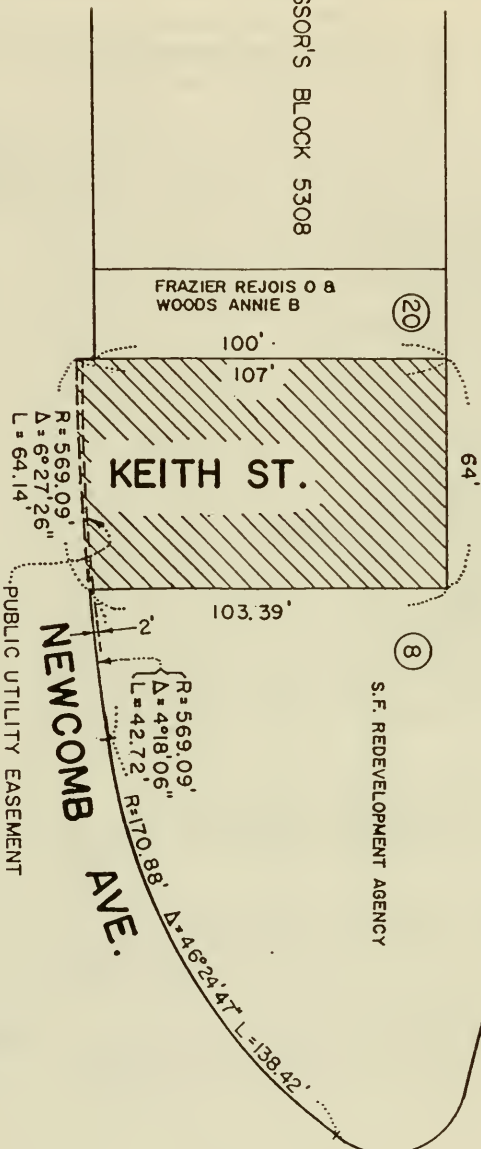
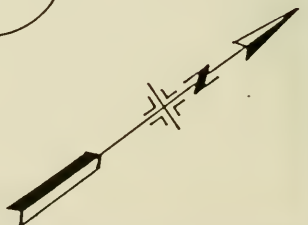
  
Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Alioto  
Supervisor Conroy  
President Shelley  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Jean Mariani  
Barbara Kolesar  
Ted Lakey

ASSESSOR'S BLOCK 4711

ASSESSOR'S BLOCK 5308

LA SALLE AVE.



# LEGEND

(20) ASSESSOR'S LOT NUMBER



STREET AREA PROPOSED TO BE VACATED

BY	DATE	CITY AND COUNTY OF SAN FRANCISCO			
DR. J.Z.	4-17-92	DEPARTMENT OF PUBLIC WORKS - BUREAU OF ENGINEERING			
TR.		PROPOSED VACATION OF A PORTION OF			
CK. GSC	5-28-92	KEITH ST. NORTHEASTERLY OF NEWCOMB AVE.			
APP.		APPROVED	SCALE 1" = 40'	FILE	CHANGE
APP.		DATE 5/29/92	SHEET 1 OF 1 SHEETS	SUR 792	
APP.		CITY ENGINEER			

22

2

CALENDAR

DOCUMENTS DEPT.

AUG 07 1992

MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO  
PUBLIC LIBRARY

TUESDAY, August 11, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

REGULAR CALENDAR:

1. File 115-91-3. [Designating the Buena Vista North Historic District] Ordinance amending Article 10 of the City Planning Code, Part II Chapter II of the Municipal Code by adding Appendix J designating the Buena Vista North Historic District. (Department of City Planning) (Continued from 2/11/92).

(Approved by City Planning Commission by Resolution No. 13002.)  
(Categorically exempt from Environmental Impact Review.)

ACTION:

2. File 12-92-29. [State Legislation] Resolution supporting SB 1141, which would fully establish bicycle use as an integral part of California's multimodal transportation system. (Supervisor Britt) (Continued from 7/14/92)

ACTION:

3. File 284-92-4. Hearing to consider adding Architectural and Engineering Subcontracting to the MBE/WBE/ LBE Ordinance. (Supervisor Kennedy) (Continued from 7/28/92)

ACTION:

4. File 123-92-3. [Public Pay Telephones] Ordinance amending Public Works Code by amending Sections 706, 950, 952, 953, 954, 957, 958, 959, and 960, adding Sections 950.1 and 950.2 and deleting Section 962, regulating the installation and maintenance of public pay telephones on public sidewalks, requiring permits and the deposit of fees therefor and providing for enforcement of said permitting requirements. (Department of Public Works)

ACTION:

5. File 176-92-2. [Workers Bill of Rights] Resolution establishing a Workers Bill of Rights and calling upon local government to develop an agency together with the Labor Council for retaining and creating union jobs in San Francisco. (Supervisors Shelley, Gonzalez)

ACTION:

6. File 182-92-1. Hearing to consider the issue of wheelchair accessibility to housing used in the City's Emergency Housing Program. (Supervisor Alioto)

ACTION:

7. File 270-92-1. Hearing to consider legislation which would require every dwelling unit in the City to be equipped with an earthquake preparedness kit. (Supervisor Alioto)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

Public Hearing Notice

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Document Section

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22  
92  
CITY AND COUNTY



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ATTN: Gerry Roth  
OF SAN FRANCISCO

DOCUMENTS DEPT.

AUG 10 1992

SAN FRANCISCO  
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**BOARD OF SUPERVISORS**

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 7, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** August 11, 1992 Economic and Social Policy Committee Meeting

Item 2 - File 12-92-29

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of July 14, 1992.

**Item:** Resolution supporting SB 1141, which would fully establish bicycle use as an integral part of California's multi-modal transportation system.

**Description:** Existing State law provides for the construction and maintenance of transportation facilities, such as thoroughfares and parking facilities, for non-motorized vehicles, including bicycles. In addition, existing State law provides that \$360,000 of State highway funds, generated through gasoline tax revenues, be deposited to the State Bicycle Lane Account to fund bikeways, defined as bicycle paths, lanes, or routes, upon application for funding to the California Department of Transportation (CalTrans).

After this \$360,000 amount is allocated to the Bicycle Lane Account, remaining gasoline tax revenues are allocated directly to cities and counties, based on a formula involving the number of vehicle registrations and population, for maintenance of streets and roads.

At the present time, current law also requires that \$9 million in State General Fund monies be deposited annually to the State Bikeway Account for construction of bikeways. However, the State has not appropriated funds to this account in recent years.

The proposed Senate Bill No. 1141 (SB 1141) would consolidate existing sections of law concerning non-motorized transportation and bikeway projects, which are now contained in different sections of the Street and Highways Code, in a single Chapter. The proposed legislation would also eliminate the State Bikeway Account to which no appropriations have been made in recent years. Gasoline tax revenues to the Bicycle Lane Account would increase from \$360,000 to \$2.4 million per year, and would continue to be appropriated to proposed projects submitted by cities, counties, and local transportation planning agencies.

**Comments:**

1. Contacts with the County Transportation Authority, Department of Parking and Traffic, and Bicycle Advisory Committee indicate that San Francisco has not previously received funding from the \$360,000 Bicycle Lane Account.
2. According to Mr. Doug Kimsey of the Metropolitan Transportation Commission (MTC), the California League of Cities is opposed to the proposed legislation because it would divert approximately \$2.04 million to the Bicycle Lane Account (\$2.4 million in proposed funding less \$360,000 in current funding to the Bicycle Lane Account). The funds which would be diverted are now appropriated to cities and counties throughout the State for maintenance of streets and roads.

Mr. Kimsey indicates that MTC supports the proposed State legislation because of the agency's wish to enhance alternative forms of transportation and improve regional air quality.

3. The Department of Public Works (DPW) reports that the City and County expects to receive \$2,402,327 in State highway funds (under the section of law which would be amended by SB 1411) for maintenance of streets and roads in fiscal year 1992-93. DPW reports that total funding State-wide for streets and roads under this section of law is estimated at \$131,372,000 in 1992-93. San Francisco therefore receives approximately 1.8 percent of the State highway funds which are allocated to cities and counties under this section of State law.



If \$2.04 million of the funds provided under this section of law were diverted to the Bicycle Lane Account, San Francisco would therefore lose approximately 1.8 percent of \$2.04 million, or approximately \$36,720, in funds for maintenance of streets and roads.

4. The State provides additional funding for maintenance of streets and roads from gasoline tax revenues, under other sections of the California Streets and Highways Code. DPW reports that San Francisco expects to receive a total of \$7,176,855 in gasoline tax revenues from the State for maintenance of streets and roads in 1992-93.

The \$36,720 which could be lost if SB 1141 is approved therefore represents 0.5 percent (one half of one percent) of total State gasoline tax revenues which DPW expects to receive for streets and roads in 1992-93.

5. The City could benefit from the proposed State legislation if the City were successful in receiving CalTrans funding for bikeway projects from the Bicycle Lane Account. Mr. Tom Higgins, in the office of State Senator Lucy Killea, who sponsored the legislation, states that funds would be appropriated from the Bicycle Lane Account by CalTrans in the form of grants to local jurisdictions. However, appropriations to local jurisdictions could not exceed an amount proportional to the local percentage of the State population.

6. The Department of Parking and Traffic established the position of Bicycle Coordinator in July, 1992 to coordinate the implementation of bicycle-related projects. Mr. Pete Tannen, the Bicycle Coordinator, has provided a list of improvement projects which has been developed by the Bicycle Advisory Committee (BAC). Although costs of all the recommended projects have not been estimated, the costs which have been estimated total more than \$5 million.

7. The list of projects recommended by the BAC include bike lanes on Alemany Blvd., Arguello Street, Market Street, San Jose Avenue, Conservatory Drive, John F. Kennedy Drive, John Muir Drive, San Jose Avenue, Still Street, and Valencia Street. In addition, a number of projects involving widening of lanes, designation of turn lanes, posting of signs, and related traffic improvements have been proposed.

8. The Board of Supervisors established the Bicycle Advisory Committee (BAC) in November, 1990 to develop a plan for bicycle-related improvements and to make recommendations

on the expenditure of available funds. The Bicycle Advisory Committee and the Bicycle Coordinator hope to include bicycle-related projects in planning activities for Mission Bay and the Embarcadero Waterfront. According to BAC's 1992 Annual Report, current plans for Mission Bay could make Third Street potentially more dangerous to bicyclists, and existing plans to provide bicycle access to the Embarcadero Roadway are inadequate.

9. Mr. Tannen states that DPT would apply for any available funds to finance bicycle-related improvement projects, including funds which would become available under the proposed Senate Bill 1141.

**Recommendation:** Since the City would lose approximately \$36,720 in gasoline tax revenues for streets and roads under SB 1141, but would receive funding for bikeway projects only upon application to CalTrans, approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 3 - File 284-92-4

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of July 28, 1992.

1. This item is a hearing to consider adding Architectural and Engineering subcontracting to the MBE/WBE/LBE ordinance.

2. Chapter 12D of the Administrative Code, "Minority/Women/Local Business Utilization" (MBE/WBE/LBE), was amended by Ordinance No. 79-92 in March of 1992 by amending Section 12D.9. to add a subcontracting program for enhancing construction subcontracting opportunities for MBEs and WBEs on City construction contracts. Currently, that public works/construction subcontracting program is the only MBE/WBE subcontracting program contained in Chapter 12D.

3. The amended Section 12D.9., "Additional Findings Supporting Race and Gender Conscious Bid Preferences and Subcontractor Participation Goals - Public Works/Construction; Subcontracting Program," provides a model for adding other subcontracting categories to Chapter 12D. Section 12D.9. includes findings that MBEs and WBEs continue to be awarded contract dollars in amounts that are disproportionately lower than the available number of MBE and LBE public works/construction contractors willing and able to perform City construction work and that race neutral measures employed by the City in the past for those construction contracts did not prevent discriminatory practices from occurring.

4. Section 12D.9. requires that for all public works/construction contracts which the contract awarding authority reasonably anticipates will include subcontractor participation, the contract awarding authority, prior to the solicitation of bids, shall provide the Director of the Human Rights Commission (HRC) with a proposed job scope. The Director then sets MBE/WBE participation goals based upon the extent of subcontracting opportunities presented by the contract and the availability of MBE/WBE subcontractors capable of providing goods and services on the construction contract. According to Section 12D.9., bidders on prime construction contracts must demonstrate in their bids that they have used good faith efforts to utilize MBE and WBE subcontractors. Prime bidders are also required to identify particular MBE and WBE subcontractors to be utilized in performing the contract.

5. Section 12D.9. provides that a contract awarding authority or a prime bidder may request that the Director of the HRC waive or reduce the amount of MBE and WBE subcontractor participation goals on construction contracts by submitting the reasons therefor. The Director may grant the request for waiver or reduction under specified conditions, such as the unavailability of qualified MBEs or WBEs capable of providing the goods or services required by the contract.

6. Section 12.D.9. also provides that whenever the Director of the HRC denies a contractor's request to waive or reduce the participation goals, the contractor may appeal that denial to the Subcontracting Goals Committee established pursuant to Section 12D.8.(A)4 of the MBE/WBE/LBE ordinance. The Subcontracting Goals Committee may override the Director and grant the request for waiver or reduction under specified conditions.

7. The public works/construction subcontracting program is applicable to WBEs and to all MBE ethnic categories.

### Comments

1. Section 12.D.11.(E) of the MBE/WBE/LBE ordinance, "Additional Findings Supporting the Race and Gender-Conscious Bid Preferences - Consultants and Professional Services," includes bid preferences on prime architectural and engineering contracts for Black, Asian, Latino, and women-owned firms.

2. Attachment 1 to this report is an extract of an HRC report that shows combined prime contracting and subcontracting participation for all San Francisco architectural and engineering contract awards by ethnic and gender categories for FY 1990-91, in three separate tables, as follows:

a. Table I shows all contract awards;

b. Table II shows all contract awards minus the removal of one large award from an MBE category, deemed by the HRC to possibly skew the data, and assigns that contract award to the non-minority category;

c. Table III shows all contract award with the one large award completely removed from the data.

3. Attachment 2 to this report shows the same data for FY 1989-90.

4. The data for FY 1990-91, prior to any adjustment (Table I of Attachment 1) show a statistically significant disparity between availability of architectural and engineering contractors and their usage in the categories of women, Asians, and Latinos.

5. The data for FY 1989-90, prior to any adjustment (Table I of Attachment 2) do not show a statistically significant disparity between availability of architectural and engineering contractors and their usage for WBEs or any ethnic category.

6. The City Attorney is in the process of preparing legislation for including an architectural and engineering subcontracting program in Chapter 12D of the Administrative Code. However, Mr. Edwin Lee, Director of the HRC, reports that such legislation will not be introduced at the subject hearing.

7. Mr. Lee reports that implementing an architectural and engineering subcontracting program would have a relatively small but undetermined effect on the HRC's workload.



Table I  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)  
PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basin: 169 Awards Totalling \$11,217,898

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.17%	4.58%	0.69%	11.44%	88.56%	100.00%	2.79%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	28.06%	61.42%	14.90%	33.57%	134.35%	100.00%	10.89%
Statistical Signif	-4.963	-1.425	-2.443	-6.210	6.210	...	-6.801
Number of Contracts						169	

Note: Re statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

(Subarea)

01-Jun-92



Table II

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 169 Awards Totalling \$11,217,898

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.17%	1.16%	0.69%	8.02%	91.98%	100.00%	2.79%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	28.03%	15.54%	14.90%	23.52%	139.55%	100.00%	10.89%
Statistical Signif	-4.963	-3.119	-2.443	-7.149	7.149	...	-6.801
Number of Contracts						169	

Note: Re statistical significance, numbers of -1,950 or less (more negative) show statistically significant disparity. Numbers greater than -1,950 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$384,1212 JOINT VENTURE AWARD TO JORDAN & ASSOCIATES FROM THE BLACK PERCENTAGE OF AWARDS (CT35000056 - MUNI METRO EXTENSION - PUC893819). JV AWARD AMOUNT IS TREATED AS A NON-MINORITY AWARD.

[Scale:11]

Table III  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMUNITIES

Basis: 168 Awards Totalling \$10,833,696

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.38%	1.20%	0.72%	8.30%	91.70%	100.00%	2.89%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	29.05%	16.09%	15.43%	24.36%	139.11%	100.00%	11.28%
Statistical Signif	-4.860	-3.089	-2.420	-7.050	7.050	...	-6.752
Number of Contracts						168	

Note: For statistical significance, numbers of -1,950 or less (more negative) show statistically significant disparity. Numbers greater than -1,950 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$384,212 JOINT VENTURE AWARD TO JORDAN & ASSOCIATES FROM THE AWARD BASE. (CT9500066 - MUNI METRO EXTENSION - PUC 893319)

1990/91

Table I  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 83 Awards Totalling \$13,938,466

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$\$	19.30%	2.84%	3.41%	25.55%	74.44%	100.00%	14.65%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	84.84%	45.17%	80.04%	77.04%	111.40%	100.00%	71.04%
Statistical Signif	-0.749	-1.257	-0.384	-1.474	1.474	...	-1.345
Number of Contracts						83	

Note: The statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

[89areulb - Mainframe data downloaded to Pandox. Pandox Table 89a0602]

Table II

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMUNITIES

Basis: 83 Awards Totalling \$13,936,466

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$\$	11.73%	2.84%	3.41%	17.99%	82.01%	100.00%	14.65%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	51.57%	46.17%	80.04%	54.23%	122.72%	100.00%	71.04%
Statistical Signif	-2.394	-1.257	-0.384	-2.938	2.938	...	-1.345
Number of Contracts						83	

Note: Re statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$1,054,720 SUBCONTRACT AWARD TO OLIN STRUCTURAL DESIGN FROM THE ASIAN PERCENTAGE OF AWARDS (CT9092071 - NEW MAIN PUBLIC LIBRARY - DPW-9105). SUBCONTRACT AWARD AMOUNT IS TREATED AS A NON-MINORITY AWARD.

[Seals:]

Table III

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1999/00 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 82 Awards Totalling \$12,881,746

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	12.69%	3.08%	3.69%	19.46%	80.54%	100.00%	15.84%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	55.79%	49.95%	86.59%	58.67%	120.52%	100.00%	76.86%
Statistical Signif	-2.172	-1.161	-0.256	-2.637	2.637	...	-1.068
Number of Contracts						82	

Note: The statistical significance, numbers of -1,960 or less (more negative) show statistically significant disparity. Numbers greater than -1,960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$1,064,720 SUBCONTRACT AWARD TO OLIN STRUCTURAL DESIGN FROM THE AWARD BASE (CT9092071 - NEW MAIN PUBLIC LIBRARY - DPW 9105).

[99aens2]





Item 4 - File 123-92-3

*Budget Analyst Recommendations*

**REVISED**

DOCUMENTS DEPT.

AUG 11 1992

SAN FRANCISCO  
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**Department:** Department of Public Works (DPW),

**Item:** The proposed ordinance would amend, add, and delete various sections to Article 19, Chapter X, Part II of the San Francisco Municipal Code (Public Works Code), regulating the installation and maintenance of public pay telephones on public sidewalks, requiring permits and the collection of fees therefor and providing for enforcement of said permitting requirements. The applicable Sections are 706, 950, 952, 953, 954, 957, 958, 959, and 960 for amendment, 950.1 and 950.2 for addition, and 962 for deletion.

**Description:** The City's Public Works Code presently provides for the permitting of a single telephone company (currently Pacific Bell) to install and maintain public pay-phones on public sidewalks within the City. In 1986, the California Public Utilities Commission deregulated the business of operating public pay-phones and allowed other non-utility private telephone companies to operate privately owned pay-phones. The proposed ordinance (a) provides procedures for requiring and granting permits to owners of privately owned public pay-phones which are installed on City public sidewalks, (b) provides for fees to be charged for the use of City property by public pay-phone operators and (c) provides for an enforcement mechanism allowing the removal of illegally installed pay-phones on City sidewalks.

The proposed legislation increases the fees to be charged for the use of City property by pay-phone operators from the current 15% of total gross receipts of each public pay-phone's coin box to 20% of the total gross receipts generated by the use of public pay-phones. The proposed legislation also requires a minimum monthly fee of \$50 to be paid to the City for each pay-phone permitted on the sidewalk.

The proposed legislation requires a deposit of \$500 to be paid to the City for each application for a public pay-phone on a sidewalk. Such deposits would be used to cover the costs of administration and inspection services incurred by DPW in connection with issuance of public pay-phone permits.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

The proposed legislation would also restrict permitting public pay-phones in any location when such location endangers the safety of persons or property, unreasonably interferes with public utility purposes, public transportation purposes, or other government use or when such public pay-phones unreasonably interferes with or impedes the flow of pedestrian or vehicular traffic, the ingress or egress of any residence, place of business, any legally parked or stopped vehicles use of poles, posts, traffic signs or signals, police or fire call boxes, transit shelters, sidewalk elevators, mailboxes, handicapped ramps, or other facilities permitted at or near the proposed location.

Currently, privately owned public pay-phones have been installed on City sidewalks without obtaining a City permit and the City has not had the requisite legislation providing for the City's permitting or removal of such sidewalk pay-phones. As a result, the City has not collected payments for the use of the City's sidewalks from the owners of these pay-phones.

Ms. Denise Brady of the Department of Public Works estimates that there are currently over 500 privately owned public pay-phones that have been operating on City sidewalks for which the owners have not obtained a City permit. The proposed legislation requires the property owners adjacent to the sidewalks containing an un-permitted pay-phone to remove the pay-phone. Ms. Brady estimates that half of the 500 currently un-permitted pay-phones would not be permitted and would be required to be removed as the result of being in a location that does not comply with City standards or because the owner would decide to relocate the phone.

**Comments:**

1. The City presently collects approximately \$457,600 per year from Pacific Bell, which is the only company which has received a permit from the City to install its approximately 580 public pay-phones on City sidewalks.

2. The City is currently collecting 12% of Pacific Bell's local call revenues from its sidewalk pay-phones for which it receives the \$457,600 amount. Although the current ordinance provides for collecting 15% of total gross receipts of each public pay-phone's coin box, the City negotiated this 12% rate with Pacific Bell to include not only the sidewalk pay-phones' "coin box" revenues under the terms of the current code provisions but *all* the local call revenues including credit card and collect calls in which payment is not made into the coin box.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

3. Separately, the City's Department of Electricity and Telecommunications has entered into an agreement with AT&T and Pacific Bell for the City to receive 20% of all long distance calls made from the Pacific Bell public pay-phones located within the City sidewalk rights-of-way. The number of these Pacific Bell sidewalk pay-phones has been increasing recently as 250 such pay-phones are being installed within MUNI bus shelters. From data supplied by the Department of Telecommunications, Ms Brady estimates that the City will receive approximately \$200,000 this year from this agreement.

4. Based on current experience, Ms Brady estimates that the average monthly revenues to the City under the proposed legislation would be \$90 for the currently permitted Pacific Bell pay phones. Since the City has not had experience receiving fees from the presently un-permitted sidewalk pay-phones, Ms Brady provides conservative estimates of receiving only the minimum \$50 per month for the operation of these phones. Using these estimates, the annual total revenues are estimated as follows:

	Minimum Monthly <u>Fee</u>	Minimum Annual <u>Fee</u>	Estimated Monthly <u>Fee</u>	Estimated Total Annual <u>Fee</u>
580 Currently Permitted Pacific Bell Pay Phones	\$50	\$348,000	\$90	\$626,400
250 Pacific Bell Pay Phones being installed in Muni Shelters	50	150,000	50	150,000
250 Half of 500 Existing Un-Permitted Pay Phones	50	<u>150,000</u>	50	<u>150,000</u>
Totals		\$648,000		\$926,400

5. Under the terms of the proposed legislation, there would be an estimated increase in General Fund annual revenues of approximately \$468,800 (from the existing \$457,600 to \$926,400) resulting from the issuance of permits to additional public pay-phone operators and the proposed increase of payments from 15% of total gross receipts of each public pay-phone's coin box to 20% of the total gross receipts generated by the use of public pay-phones permitted on public sidewalks.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

6. While the proposed legislation would require that the City receive 20% of "the total gross receipts generated by the usage of each and every" public pay-phone located on the sidewalk, the legislation is not clear as to the revenues generated by long distance telephone calls. Ms Brady reports that Federal law restricts the City's collection of revenues based on long distance telephone call charges. As of the writing of this report, the Budget Analyst has not received a definitive interpretation from the City Attorney's Office.

7. Pacific Telesis the owner of Pacific Bell, has written a letter to the Chief Administrative Officer recommending that the City charge a flat fee of \$65 per month rather than 20 percent of gross revenues as proposed in the legislation. Pacific Telesis states that the administration of such a percentage of gross revenue based fee would "create a bureaucratic nightmare that will fail to produce the anticipated revenue." Ms. Brady reports that the City has had no difficulty collecting the percentage based fees in the past and anticipates little difficulty with the proposed system. In fact, the City currently charges Pacific Bell on a percentage of gross revenues basis.

8. DPW has held two public hearing on the proposed legislation and has consulted several times with the various vendors involved with public pay-phones in the preparation of the proposed legislation.

9. The Committee might consider a sunset clause in the proposed legislation in order that the administration of its terms be reviewed after a year. If the percentage based fee system is found to be inefficient or if it is found that the City would receive significantly more revenues under a fixed fee system, the fee collection terms could be changed to a fixed fee system as requested by Pacific Telesis.

**Recommendations:** Amend the proposed legislation to provide for its review within a year.

Approve the proposed legislation as amended.



Item 5 - File 176-92-2

The proposed resolution would establish a Workers Bill of Rights and call upon local government to develop an agency together with the Labor Council for retaining and creating union jobs in San Francisco.

Specifically the proposed resolution would establish that:

1. The Board of Supervisors adopt the Workers Bill of Rights;
2. Local government, together with the Labor Council, develop an agenda that includes specific proposals to not only save jobs but to develop a realistic program to return blue collar, white collar, warehouse and manufacturing jobs to the City and County of San Francisco;
3. The Board of Supervisors urge the Mayor to appoint a task force comprised of labor, management and government representatives to seek and entice businesses to locate in San Francisco and that the nature of these businesses is to provide employment for union, skilled, semi-skilled and unskilled workers, such as in construction, warehouse, and manufacturing assembly, clerical, retail, service, etc.;
4. The San Francisco Labor Council and the Mayor's Office work to recruit and prepare unemployed or under-employed individuals for employment; and
5. If there are no recognized training programs for the individual in need of such businesses, then one shall be designed and carried out by the appropriate union business representatives with the City Government.

**Comment**

The Sponsor's Office has advised the Budget Analyst's Office that amendments will be offered to this proposed legislation at the August 11, 1992 Economic and Social Policy Committee Meeting. It is the sponsor's intent that there not be any additional City costs involved with the implementation of this proposed legislation.

**Recommendation**

The approval of the proposed resolution is a policy matter for the Board of Supervisors.





Item 6 - File 182-92-1

1. This item is a hearing to consider the issue of wheelchair accessibility to housing used in the City's Emergency Housing Program (also currently known as the Emergency Hotel Program).

2. The City's Emergency Housing Program is one of the Department of Social Services' (DSS) programs designed to provide short-term housing for homeless persons, primarily for those persons with medical emergencies which make them physically vulnerable and who have just been released from a hospital (usually San Francisco General Hospital). The Emergency Housing Program primarily seeks to provide a less costly temporary housing alternative for persons with medical emergencies who are ready to be released from the hospital. It costs approximately \$8.30 per person per night to provide temporary housing through the Emergency Housing Program. In contrast, if a homeless person who is recovering from a medical emergency continues to stay at San Francisco General Hospital, it would cost the City as much as \$1,200 per day per bed, according to Ms. Susan Ehrlich of DPH. DSS has agreements with 26 hotels in the City to provide such short-term housing, consisting of single rooms for approximately 165 homeless persons per night. According to Ms. Dorothy Enisman of DSS, none of the 26 hotels in the Emergency Housing Program are wheelchair accessible.

To a lesser extent, the Emergency Housing Program also provides short-term housing for persons awaiting entry into treatment programs or the Tenderloin Housing Clinic, persons who have just started working and are waiting for their first paycheck, and those who have just been released from jail too late in the day to apply for General Assistance. In most cases, the maximum length of stay for homeless persons in the Emergency Housing Program is 7 days.

3. In February, 1992, concerns were raised about a disabled homeless person who was unable to use the restrooms at one of the hotels included in the City's Emergency Housing Program because the restrooms were not wheelchair accessible. The Department of Social Services (DSS) responded by establishing a policy whereby homeless persons in wheelchairs who are being released from the hospital are given preference for case management services and are guaranteed an initial 7-day stay at one of the City's two Multi-Service Centers, both of which are wheelchair accessible.

4. The FY 1992-93 budget for the Emergency Housing Program is \$500,000, and DSS' policy has been to serve as many persons as possible. As noted above, Ms. Enisman reports that with the \$500,000, the Emergency Housing Program will be able to provide short-term housing in 26 hotels for approximately 165 homeless persons per night, or approximately \$8.30 per person per night.

5. According to Ms. Enisman, because of the costs required to retrofit the hotel rooms and restrooms to make them accessible for handicapped persons, it would cost substantially more than \$8.30 per night to provide a single room for a disabled individual in a wheelchair accessible hotel than it would cost to provide a hotel room for a non-disabled person. Therefore, additional costs to secure single

rooms in wheelchair accessible hotels would mean less funds would be available, and thus, fewer hotel rooms could be rented for non-disabled homeless persons. However, as of the writing of this report, Ms. Enisman advises that DSS has not done a survey to identify wheelchair accessible hotels and cannot estimate what it would cost to provide temporary wheelchair accessible housing for disabled homeless persons on an ongoing basis under the Emergency Housing Program.

6. Mr. Jim Buick of DSS reports that presently, the City's two Multi-Service Centers (MSCs) contain beds for 425 homeless persons per night, and that out of the 425 beds, approximately 8 to 10 of them are given to persons in wheelchairs each night. Persons housed at the MSCs do not get private rooms. Instead, the majority of persons housed in the MSCs share large rooms containing 75 to 100 beds. In addition, one of the MSCs contains a respite area of 25 beds for persons who have recently been released from the hospital. Ms. Enisman reports that a staffperson at the hospital determines whether the homeless persons being released from the hospital should stay at the respite area in the MSC or get a single hotel room under the Emergency Housing Program. The MSCs also differ from the Emergency Housing Program in that case management services and food are provided for the homeless persons housed in the MSCs, whereas the Emergency Housing Program simply provides temporary housing. The two MSCs have a combined FY 1992-93 budget of \$3,261,730, according to Mr. Buick.

7. The sponsor of this hearing reports that the current DSS policy has not ensured that the full range of homeless services are available to all disabled persons, since disabled homeless persons do not have the option of being temporarily housed in hotels in the Emergency Housing Program. The sponsor of this hearing has requested that the proposed item be continued to the call of the Chair to allow additional time for fact-finding on this issue.

Item 7 - File 270-92-1

**Item:** Hearing to consider legislation to require every dwelling unit in the City to be equipped with an earthquake preparedness kit.

**Comments:** 1. The sponsor of this legislation has advised the Budget Analyst's Office that this item will be requested to be continued pending the preparation of legislation on this matter.

2. According to the Pacific Bell White Pages First Aid Survival Guide, page B9, the basic emergency earthquake preparedness supplies to have on hand are as follows:

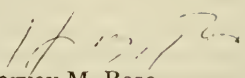
Radio, portable battery operated  
Flashlights  
Extra batteries  
First aid kit and handbook  
Water, drinkable, week's supply for each family member  
Food, canned, week's supply for each family member  
Milk, powdered, week's supply for each family member  
Medications  
Eyeglasses  
Wrenches, pipe or crescent, to turn off gas and water lines  
Barbecue or camp stove  
Stove fuel  
Chlorine bleach to purify drinking water  
Blankets  
Warm clothes  
Sturdy shoes

2. Ms. Eileen Maloney of the Mayor's Office of Emergency Services suggests that in addition to the above listed supplies, the following items be included in the list of basic emergency earthquake preparedness supplies to have on hand:

Gloves  
Heavy plastic garbage bags  
Dry bleach

According to Ms. Maloney, the heavy plastic garbage bags and dry bleach would be used instead of normal toilet facilities should the toilets not be able to be used.

Memo to Economic and Social Policy Committee  
August 11, 1992 Economic and Social Policy Committee Meeting

  
Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Alioto  
Supervisor Conroy  
President Shelley  
Supervisor Achtenberg  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Jean Mariani  
Barbara Kolesar  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 21, 1992

DOCUMENTS DEPT.

TO: Economic and Social Policy Committee

FROM: Budget Analyst

SUBJECT: August 25, 1992 Economic and Social Policy Committee Meeting

Item 1 - File 250-92-1

1. Resolution urging the Mayor to establish a Youth Employment Program that would coordinate year-round youth employment services in the City, and requesting that the Board of Supervisors receive on July 1, 1993, a report describing and evaluating the success of the City in establishing, funding and maintaining a Youth Employment Program during fiscal year 1992-93.

2. The proposed legislation would urge that the Mayor establish a year-round Youth Employment Program which would encompass the following strategies:

- 1) Involve the participation of the major departments and agencies of the City that are most capable of providing employment funds and opportunities for youth on a year-round basis, including the Department of Public Works (DPW), the Municipal Railway (MUNI), the Airport and the Port.
- 2) Be established for the dual purpose of revenue generation for youth employment and youth employment opportunities.
- 3) Work with the City's employee labor unions to establish apprenticeship and training programs.
- 4) Include a training and education program component that would require weekly academic and literacy sessions for program participants, and would utilize peer tutors.

- 5) Coordinate all City department and agency efforts in obtaining funds and developing employment opportunities, including the distribution of funds and the allocation of jobs.
- 6) The administration of the program funds by the Mayor's Office of Children, Youth and Families.

### Comments

1. Mr. Frank Grimmelmann of the Mayor's Office of Children, Youth and Families advises that currently, the Mayor's Youth Employment Education Program (MYEEP) is the only youth employment services program administered and funded by the City. The MYEEP is paid for by General Fund monies. The Mayor's Office has budgeted \$1,150,000 for the Program for 1992-93, of which \$750,000 represents baseline on-going funding, and \$400,000 represents Proposition J funding for program expansion with respect to contract services. The program, which was established in 1989, targets low and moderate income youth, ages 14-18, who are enrolled in school or a General Equivalency Diploma (G.E.D) Program at an adult education school. The Program, which serves approximately 400 youth annually, is administered by the Mayor's Office of Children, Youth and Families and the Mayor's Office contracts with community-based organizations for the provision of direct services. Specific Program services provided to each participant include:

- (1) assessment of academic status,
- (2) orientation and pre-employment training,
- (3) ten hours per week of subsidized work experience at a private, public or non-profit worksite and
- (4) on-going monitoring and evaluation of academic and worksite performance.

2. The sponsors of the proposed legislation report that separate legislation has been drafted for submission to the Finance Committee meeting on September 2, 1992, which would urge (1) that the Mayor urge the Redevelopment Agency to provide \$1,000,000 for the funding of a pilot year-round Youth Employment Program for the disadvantaged youth of the Western Addition and Bayview Hunters Point, (2) that the Mayor urge the Airports Commission and the Port Commission to commit \$1,000,000 each per year for the next five years to expand the Youth Employment Program to disadvantaged youth on a City-wide basis, (3) that the Mayor urge the Public Utilities Commission to provide \$500,000 to the disadvantaged youth of the Mission for a Youth Employment Program and (4) that the Housing Authority redirect any and all funds that may be allocated by it for youth services to assist the City's Youth Employment Program.

### Recommendation

Approval of the proposed resolution is a policy matter for the Board of Supervisors.



Item 3 - File 284-92-4

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of August 11, 1992.

1. This item is a hearing to consider adding Architectural and Engineering subcontracting to the MBE/WBE/LBE ordinance.

2. Chapter 12D of the Administrative Code, "Minority/Women/Local Business Utilization" (MBE/WBE/LBE), was amended by Ordinance No. 79-92 in March of 1992 by amending Section 12D.9. to add a subcontracting program for enhancing construction subcontracting opportunities for MBEs and WBEs on City construction contracts. Currently, that public works/construction subcontracting program is the only MBE/WBE subcontracting program contained in Chapter 12D.

3. The Economic and Social Policy Committee heard and received evidence, both written and oral, at its meetings of July 28, 1992, and August 11, 1992, concerning the need for a subcontracting program for enhancing architectural and engineering subcontracting opportunities for MBEs and WBEs on City contracts. Based on that evidence, the City Attorney has prepared legislation, to be introduced at the Economic and Social Policy Committee of August 25, 1992, amending Chapter 12D of the San Francisco Administrative Code to establish a race- and gender-conscious subcontracting program for architectural and engineering services.

4. The legislation prepared by the City Attorney would amend Chapter 12D of the Administrative Code as follows:

a. Section 12D.5., "Definitions," would be amended by adding professional services contracts to the definition of "Subcontractor Participation Goals." "Subcontractor Participation Goals" defines those categories of contracts that may include targeted levels of MBE/WBE subcontractor participation, as determined by the Director of the Human Rights Commission (the Director), and currently includes only public works/construction contracts. Section 12D.5. also includes other minor amendments to the definitions of "Contractor," "Good Faith Efforts," and "Participation commitment."

b. Section 12D.8., "Powers and Duties of the Mayor, Departments or Contract Awarding Authorities," would be amended by adding to the qualifications criteria pertaining to membership on the three-member Subcontracting Goals Committee knowledge about the professional service industry, in addition to the current criterion of knowledge concerning the construction industry. The Subcontracting Goals Committee consists of one member each selected by the Mayor, the Chief Administrative Officer, and the Human Rights Commission and serves to review the decisions of the Director in instances where the Director has denied a contractor's request to waive or reduce subcontractor participation goals.

c. Section 12D.11., "Additional Findings Supporting the Race and Gender-Conscious Bid Preferences -- Consultants and Professional Services," would be amended by adding the following findings and provisions:

1. Finds that the evidence before the Board of Supervisors relating to the award of architectural and engineering prime contracts and subcontracts shows that MBE and WBE architects and engineers have been and continue to be subjected to discriminatory contracting practices when competing for City architectural and engineering contracts and when competing to provide subcontractor services on City architectural and engineering contracts. The proposed amendment further states that race-neutral measures employed by the City in the past did not prevent the discriminatory practices from occurring.

2. Establishes an MBE/WBE Subcontracting Program requiring that for all architectural and engineering contracts that the contract awarding authority reasonably anticipates will include subcontractor participation, the contract awarding authority, prior to the solicitation of bids, shall provide the Director of the Human Rights Commission (HRC) with a proposed job scope. The Director then sets MBE/WBE participation goals based upon the extent of subcontracting opportunities presented by the contract and the availability of MBE/WBE subcontractors capable of providing services on the contract. The amended Section 12D.11. would also require that bidders on prime architectural and engineering contracts must demonstrate in their bids that they have used good faith efforts to utilize MBE and WBE subcontractors. Prime bidders are also required to identify particular MBE and WBE subcontractors to be utilized in performing the contract, specifying for each the dollar value of participation, the type of work to be performed and such information as may reasonably be required to determine the responsiveness of the bid.

3. Section 12D.11. provides that a contract awarding authority or a prime bidder may request that the Director of the HRC waive or reduce the amount of MBE and WBE subcontractor participation goals on architectural and engineering contracts by submitting the reasons therefor. The Director may grant the request for waiver or reduction upon a determination that (a) the reasonable and necessary requirements of the contract render subcontracting or the participation of firms other than the bidder unfeasible; (b) the unavailability of qualified MBEs or WBEs capable of providing the goods or services required by the contract; or (c) the available MBEs and WBEs have given price quotes that are unreasonably high.

4. The architectural and engineering subcontracting program would be applicable to WBEs and to all MBE ethnic categories.

### Comments

1. Section 12.D.11.(E) of the MBE/WBE/LBE ordinance, "Additional Findings Supporting the Race and Gender-Conscious Bid Preferences - Consultants and Professional Services," includes bid preferences on prime architectural and engineering contracts for Black, Asian, Latino, and women-owned firms.

2. Attachment 1 to this report is an extract of an HRC report that shows combined prime contracting and subcontracting participation for all San Francisco architectural and engineering contract awards by ethnic and gender categories for FY 1990-91, in three separate tables, as follows:

a. Table I shows all contract awards;

b. Table II shows all contract awards minus the removal of one large award from an MBE category, deemed by the HRC to possibly skew the data, and assigns that contract award to the non-minority category;

c. Table III shows all contract award with the one large award completely removed from the data.

3. Attachment 2 to this report shows the same data for FY 1989-90.

4. The data for FY 1990-91, prior to any adjustment (Table I of Attachment 1) show a statistically significant disparity between availability of architectural and engineering contractors and their usage in the categories of women, Asians, and Latinos.

5. The data for FY 1989-90, prior to any adjustment (Table I of Attachment 2) do not show a statistically significant disparity between availability of architectural and engineering contractors and their usage for WBEs or any ethnic category.

6. Attachment 3 is an affidavit given by Dr. John Gruenstein of the Mayor's Office of Economic Planning and Development concerning the statistical evidence offered in support of establishing an architectural and engineering subcontracting program. Dr. Gruenstein states that in his opinion it is appropriate to measure the utilization of MBE/WBE firms on City contracts awarded without the mandates of the Federal and State regulations.

7. Mr. Edwin Lee, Director of the HRC, reports that implementing an architectural and engineering subcontracting program would have a relatively small but undetermined effect on the HRC's workload and he anticipates no need to increase his budget due to the proposed legislation.

8. The Budget Analyst is of the opinion that the proposed legislation, if enacted, would have little or no effect on the City's finances in that the proposed legislation requires good faith efforts on the part of prime contractors to use minority and women subcontractors on architectural and engineering contracts but does not provide for preferences that would increase the City's cost on such contracts. The Director of the HRC concurs with this opinion.

Table I  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 169 Awards Totalling \$11,217,898

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.17%	4.58%	0.69%	11.44%	88.56%	100.00%	2.79%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	28.06%	61.42%	14.90%	33.57%	134.35%	100.00%	10.89%
Statistical Signif	-4.963	-1.425	-2.443	-6.210	6.210	---	-6.801
Number of Contracts						169	

Note: Re statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

[Subtotal]

01-Jun-92



Table II  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 169 Awards Totalling \$11,217,898

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.17%	1.16%	0.69%	8.02%	91.98%	100.00%	2.79%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	28.06%	15.54%	14.90%	23.52%	139.55%	100.00%	10.89%
Statistical Signif	-4.963	-3.119	-2.443	-7.149	7.149	...	-6.801
Number of Contracts						169	

Note: Re statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$384,212 JOINT VENTURE AWARD TO JORDAN & ASSOCIATES FROM THE BLACK PERCENTAGE OF AWARDS (CT3500066 - MUNI METRO EXTENSION - PUC893819). JV AWARD AMOUNT IS TREATED AS A NON-MINORITY AWARD.

[90aeist1]



Table III  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1990/91 (7/1/90 - 6/30/91)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 168 Awards Totalling \$10,833,686

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	6.38%	1.20%	0.72%	8.30%	91.70%	100.00%	2.89%
Pct Availability	21.97%	7.46%	4.65%	34.08%	65.92%	100.00%	25.63%
Utilization Index	29.06%	16.09%	15.43%	24.36%	139.11%	100.00%	11.28%
Statistical Signif	-4.890	-3.089	-2.420	-7.050	7.050	***	-6.752
Number of Contracts						168	

Note: Re statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than +1.960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$384,212 JOINT VENTURE AWARD TO JORDAN & ASSOCIATES FROM THE AWARD BASE. (CT3500056 - MUNI METRO EXTENSION - PUC 883819).

[90aels2]

Table I  
LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING & RELATED COMMODITIES

Basis: 83 Awards Totalling \$13,936,466

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$s	19.30%	2.84%	3.41%	25.56%	74.44%	100.00%	14.65%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	84.84%	46.17%	80.04%	77.04%	111.40%	100.00%	71.04%
Statistical Signif	-0.749	-1.257	-0.384	-1.474	1.474	...	-1.345
Number of Contracts						83	

Note: For statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than +1.960 (less negative) are not generally considered statistically significant.

[89aesubl - Mainframe data downloaded to Paradox, Paradox Table 89aeb2]

Table II

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

## PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING &amp; RELATED COMMODITIES

Basis: 83 Awards Totalling \$13,936,466

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$\$	11.73%	2.84%	3.41%	17.99%	82.01%	100.00%	14.65%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	51.57%	46.17%	80.04%	54.23%	122.72%	100.00%	71.04%
Statistical Signif	-2.394	-1.257	-0.384	-2.938	2.938	...	-1.345
Number of Contracts						83	

Note: The statistical significance, numbers of -1.960 or less (more negative) show statistically significant disparity. Numbers greater than -1.960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$1,054,720 SUBCONTRACT AWARD TO OLIN STRUCTURAL DESIGN FROM THE ASIAN PERCENTAGE OF AWARDS (CT0902071 - NEW MAIN PUBLIC LIBRARY - DPW-9105). SUBCONTRACT AWARD AMOUNT IS TREATED AS A NON-MINORITY AWARD.

(83aels1)

Table III

LBE UTILIZATION INDICES PER CATEGORY BY LEVEL  
FISCAL YEAR 1989/90 (7/1/89 - 6/30/90)

## PROFESSIONAL SERVICES - ARCHITECTURE, ENGINEERING &amp; RELATED COMMODITIES

Basis: 82 Awards Totalling \$12,881,746

Project Participation  
Awards to San Francisco Firms Only

	ASIAN	BLACK	LATINO	TOTAL MBE	NON-MBE	TOTAL	WBE TOTAL
Pct of Award \$\$	12.69%	3.08%	3.69%	19.46%	80.54%	100.00%	15.84%
Pct Availability	22.75%	6.16%	4.27%	33.18%	66.82%	100.00%	20.62%
Utilization Index	55.79%	49.95%	86.59%	58.67%	120.52%	100.00%	76.86%
Statistical Signif	-2.172	-1.161	-0.256	-2.637	2.637	...	-1.068
Number of Contracts						82	

Note: For statistical significance, numbers of -1,960 or less (more negative) show statistically significant disparity. Numbers greater than -1,960 (less negative) are not generally considered statistically significant.

NOTE: TEST FOR REMOVAL OF \$1,064,720 SUBCONTRACT AWARD TO OLMN STRUCTURAL DESIGN FROM THE AWARD BASE (CT9093071 - NEW MAIN PUBLIC LIBRARY - DPW/9106).

[89saais12]

AFFIDAVIT OF JOHN GRUENSTEIN

I, John Gruenstein, do hereby declare:

1. I am currently employed by the City and County of San Francisco and work in the Mayor's Office of Economic Planning and Development. My major duties include economic forecasting and financial analysis of City-sponsored programs and projects.

2. I possess a Doctorate Degree in Economics. Prior to City employment, I owned and managed a professional consulting firm, BPA Economics, during which I directed and authored a number of statistical disparity studies for various municipal and government entities across the country. One such study was that performed for the City and County of San Francisco, for its Minority and Woman Business Enterprise Ordinance in May, 1989. The San Francisco statistical disparity study has been upheld by the Federal District Court as a valid study in the Court's decision holding the Ordinance constitutionally valid under the standards expressed in the U.S. Supreme Court case of Croson vs. City of Richmond.

3. In performing the San Francisco study, I have become familiar with the data collection process of the City's Human Rights Commission (HRC) and have periodically advised the HRC in its annual statistical disparity analyses. I have specifically reviewed the statistical disparity analysis pertaining to Architects and Engineers in the provision of subconsultant services to prime consultants for the City. The HRC's statistical report covering fiscal years 1989-1990 and 1990-1991 are attached to this Affidavit.

4. Based upon my review of the Tables prepared by the HRC in the attached Exhibits, pertaining to subconsultant services of Architects and Engineers, and based upon my understanding of the differences between local MBE/WBE programs and the federal and state disadvantaged businesses program, it is my opinion that it is appropriate to measure the statistical disparity of City contracts awarded without the mandates of the federal and state regulations. State and federally funded contracts mandate the inclusion of disadvantaged businesses in subcontracting opportunities. These federally mandated goals are required and therefore those municipalities receiving these federal monies must then require prime consultants to reach these subconsulting goals. Since we are measuring the utilization of MBES and WBES as subconsultants to primes hired by the City, it is appropriate

Page 2

to analyze such utilization when it is free of federal or state mandated goals.

I have advised several jurisdictions, including the City's HRC, to separate its statistical analysis between those contract awards mandating federal or state subconsultant goals and those that contain no such required goals. It is my professional opinion that the analysis is a more accurate measurement of disparity when it is measured on the performance of prime consultants who are not under additional state or federal requirements. This separate analysis has also been accepted by other jurisdictions performing post-Croson statistical studies.

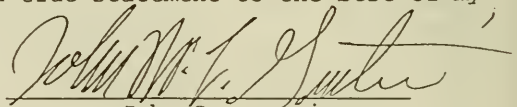
5. The statistical disparity analysis for fiscal year 1990-1991 which does not include federal or state contracts, indicates a statistically significant disparity between availability and utilization for Black, Asian, Latino and Woman-owned businesses (Exhibit 1). This analysis indicates that the disparity is highly unlikely to result from chance. In general, anecdotal evidence and testimony can be helpful in clarifying the reasons for disparity.

6. The statistical disparity analysis for fiscal year 1989-1990, excluding federal and state awards, does not indicate statistically significant disparity for Black, Asian and Latino businesses providing subconsultant services (Exhibit 2).

7. The above disparity analysis incorporates a statistical methodology consistent with that used in my study done for the MBE/WBE/LBE Ordinance in 1989. However, it should be noted that the attached statistics attempt to measure the performance of prime consultants for the City, rather than City action itself. It is therefore important that while a significant disparity between utilization and availability may be revealed, as it has here for architects and engineers, statistical evidence alone may not suffice to prove discrimination. The level of disparity indicates that the gap is highly unlikely to be a result of chance. It is advised that the Board should consider both anecdotal, as well as statistical evidence in reaching any findings.

I declare the above to be a true statement to the best of my ability.

Date August 12, 1992

  
John Gruenstein  
Declarant

AFF\_JG[WP]



Item 4 - File 7-92-4

1. This item is a hearing on the San Francisco Municipal Railway's (MUNI) proposal to install two side tracks, known as "pocket" tracks, and MUNI's plan to merge Streetcar service on the J and M lines, and change the 26 Bus line.

2. Mr. Peter Strauss of MUNI advises that the MUNI has no current plans to curtail 26 Bus line services. Any rerouting or abandonment of services would be subject to extensive public hearing before the Public Utilities Commission as well as the Board of Supervisors.

3. MUNI's project proposal for the merger and extension of the J and M lines includes the following components: (1) installation of a pocket track between the existing tracks at two locations: Junipero Serra and 19th Avenue to Banbury Street and 19th Avenue (slightly south of San Francisco State University), and at 19th Avenue and Winston Street (just north of the Stonestown MUNI stop) and (2) installation of 13-foot wide platforms, comparable to those within the MUNI Metro subway system, at the San Francisco State and the Stonestown MUNI Metro stops.

4. The MUNI advises that the boarding platforms at San Francisco State and Stonestown, which are now curb-height and only five-feet wide, are too narrow to comply with the American Disabilities Act. The MUNI proposal calls for high-level platforms that would be 13-feet wide. According to MUNI, the proposed platforms would allow for (1) improved passenger safety, (2) faster access to and from streetcars and (3) easy wheelchair accessibility. Additionally, the proposed platforms would have amenities, such as shelters and public telephones.

5. The installation of the proposed two pocket tracks would allow service to be combined and extended on the J and M lines. The MUNI advises that since many M-line passengers get off at San Francisco State, one car of a two-car outbound M train could use the pocket track to lay over just south of San Francisco State, while the other continued on as a J car. J cars coming from the other direction could either couple with the waiting M car and continue downtown in M-line service, or lay over in the pocket track north of Stonestown until it was time to make the return trip on the J line. A major goal of this component of the project is to allow the J Church Metro Streetcar to be extended to Stonestown and begin combined operations with the M Ocean View service.

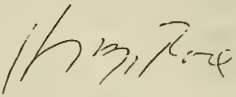
Memo to Economic and Social Policy Committee  
August 25, 1992 Economic and Social Policy Committee Meeting

6. The total cost of the proposed project along with the funding sources is outlined below:

Federal Transit Administration Capital Grant	\$7,192,000
State of California Transit Guideway Funds	685,000
Bay Region Bridge Toll Funds	536,000
S. F. Transit Impact Development Fee Funds	425,000
Hetch Hetchy Water and Power Funds	<u>82,000</u>
	\$8,920,000

Comment

The Public Utilities Commission has also scheduled a hearing at 2:00 p.m. on August 25, 1992, to consider MUNI's project proposal for the merger and extension of the J and M lines. Therefore, the sponsor of this hearing has requested that this item be continued to the call of the Chair.

  
Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Achtenberg  
Supervisor Conroy  
President Shelley  
Supervisor Alioto  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
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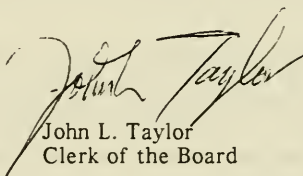
SEP 4 1992

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NOTICE OF RESCHEDULED MEETING  
ECONOMIC & SOCIAL POLICY COMMITTEE

Callahan

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Economic & Social Policy Committee for Tuesday, ~~September 8, 1992~~, at 2:00 p.m., has been rescheduled to Tuesday, September 15, 1992, at 2:00 p.m., in Room 228, City Hall.

  
John L. Taylor  
Clerk of the Board

POSTED: SEPTEMBER 3, 1992

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C A L E N D A R

SEP 10 1992

RESCHEDULED MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

22  
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PUBLIC LIBRARY

92  
TUESDAY, SEPTEMBER 15, 1992 - 2:00 P.M.

Room 228, CITY HALL

PRESENT: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 18-92-11. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)

Stop Signs - Establish

Cambridge and Bacon Streets, northeast and southwest corners, stopping Bacon Street traffic;

Tiffany and Valencia Streets, southwest corner, stopping Tiffany Street traffic;

Broadmoor and Winston Drives, southeast corner, stopping Broadmoor Drive traffic;

Denslowe Drive and Holloway Avenue, southeast corner, stopping Denslowe Drive traffic;

Holloway Avenue and Stratford Drive, northwest corner, stopping Stratford Drive traffic;

Stonecrest and Winston Drives, northwest corner, stopping Stonecrest Drive traffic;

Grove and Lyon Streets, northeast and southwest corners, stopping Grove Street (makes this an all-way Stop);

Grove and Central Streets, northeast and southwest corners, stopping Grove Street traffic (makes this an all-way Stop);

Burnett Avenue and Gardenside Drive, northeast and southwest corners, stopping Burnett Avenue traffic (makes this an all-way Stop);

25th and Capp Streets, northeast and southwest corners, stopping 25th Street traffic (makes this an all-way Stop);

16th Avenue and Anza Street, northwest and southeast corners, stopping 16th Avenue traffic (makes this an all-way Stop);

Broderick and Greenwich Streets, northeast and southwest corners, stopping Greenwich Street traffic (makes this an all-way Stop);

Bosworth and Lyell Streets, northeast and southwest corners, stopping Bosworth Street traffic (makes this an all-way Stop);

Brook Street and San Jose Avenue, southeast corner, stopping Brook Street traffic;

Williams Avenue and Phelps Street, southeast corner, stopping Phelps Street traffic (makes this an all-way Stop).

- (b) File 19-92-10. [Parking Regulations] Recommending establishment of perpendicular (90-degree angle) Parking; Winconsin Street, west side, between 22nd and Madera Streets. (Department of Parking and Traffic)
- (c) File 20-92-11. [Traffic Regulations] Recommending establishment of traffic regulations, various streets. (Department of Parking and Traffic)

Right Turn Only – Establish

Brook Street, northbound, at San Jose Avenue.

No Left Turn, Except Muni – Establish

Church Street, southbound, at Market Street.

No U-Turn – Establish

Phelan Avenue, northbound, at San Francisco City College driveway (approximately 100 feet north of Ocean Avenue).

Tow-Away No Stopping 7 AM – 8 AM Everyday – Establish

4th Street, west side, 98 feet northerly from Howard Street.

- (d) File 40-92-6. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "R" in the Cleary Court area; and adding to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)
- (e) File 40-92-7. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "D" in the Glen Park area; and adding Milton Street, between San Jose Avenue and Bosworth Street, both sides, to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)
- (f) File 40-92-8. [Parking of Vehicles] Resolution extending the boundaries of residential permit parking area "O" in the West Portal/St. Francis Wood and adding 18th Avenue, between Santiago and Rivera Streets, both sides, to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)

ACTION:



## REGULAR CALENDAR

2. File 20-92-10.1. [Traffic Regulations] Recommending establishment and revocation of traffic regulations, various streets. (Department of Parking and Traffic)  
(Continued from 7/28/92)

All-Day Transit Lanes – Rescind

Transit Lanes, 7-9 a.m. and 4-6 p.m., Monday through Friday – Establish  
Sutter Street, north side, Sansome Street to Kearny Street.

Sutter Street, north side, Stockton Street to Gough Street.

Post Street, south side, Gough Street to Grant Avenue.

ACTION:

3. File 97-92-48. [Rent Increases] Ordinance amending Administrative Code by amending Section 37.2 thereof, to exclude from the definition of rent increases a landlord's passthrough to tenants of increased costs caused by increases in the property tax rate or by parcel taxes imposed as a result of voters approved ballot measure on RAP of after June 5, 1990. (Mayor)

ACTION:

4. File 109-92-2. [Rent Ordinance] Ordinance amending the San Francisco Code by amending Section 37.3 thereof to raise the applicable percentage of the consumer price index component of annual allowable rent increases from 60% to 80%. (Mayor)

ACTION:

5. File 97-92-47. Hearing to consider amending the Administrative Code Section 10.213, E.4. (a) thru (d) to require all City contracts with companies who do not sign the declaration compliance with the South Africa divestiture ordinance be reviewed and approved by the Board of Supervisors. (Supervisor Kennedy)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

Public Hearing Notice

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**BOARD OF SUPERVISORS**

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

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September 11, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** September 15, 1992 Rescheduled Economic and Social Policy Committee Meeting

Item 3 - File 97-92-48

1. The proposed ordinance would amend the San Francisco Administrative Code by amending Section 37.2 thereof to exclude from the definition of rent increases a landlord's passthrough to tenants of increased costs caused by increases in the property tax rate or by parcel taxes imposed as a result of voter approved ballot measures on the Residential Rehabilitation Loan Program (RAP) on or after June 5, 1990. Parcel taxes refer to the San Francisco Unified School District tax (Proposition B) approved in 1990. Under this tax, property owners are charged an annual flat \$23 rate per residential unit and commercial parcel.

2. Section 37.2(o) outlines the definition as to what constitutes rent increases, including (1) any additional monies demanded or paid for in connection with any rehabilitation or repair work done by the landlord to a rental unit or common area in order to be in compliance with State or local law or done to repair damage resulting from fire, earthquake or other casualty or natural disaster or (2) any reduction in housing services without a corresponding reduction in the monies demanded or paid for rent. An exception under this definition provides that where the landlord has been paying the tenant's utilities and the cost of those utilities increase, the landlord's passthrough of such costs to the tenant does not constitute a rent increase.

3. The proposed ordinance would amend Section 37.2(o) to further provide that where there has been an increase in the property tax rate or parcel tax imposed on the landlord as a result of a voter approved ballot measure on or after June 5, 1990, the landlord's passing through of such increased taxes to the tenant would not constitute a rent increase.

### Comments

1. Ms. Kathryn Pennypacker of the City Attorney's Office reports that the reference to the Residential Rehabilitation Loan Program (RAP) in connection with ballot measures, in the title of the legislation was erroneously included and therefore should be deleted from the title of the legislation. The sentence should read "The proposed ordinance would amend the San Francisco Administrative Code by amending Section 37.2 thereof to exclude from the definition of rent increases a landlord's pass through to tenants of increased costs caused by increases in the property tax or by parcel taxes imposed as a result of voter approved ballot measures on or after June 5, 1990." The reason that June 5, 1990 was used is because this is the date the Unified School District's parcel tax measure was voted on.

2. According to Mr. Joe Grubb, Executive Director of the Rent Board, the intent of the proposed legislation would be to permit landlords to pass through any increases, which result from an increase in the property tax rate or the parcel tax rate as a result of any previous voter approved ballot measure. The base period for determining how much could be passed through would be June 5, 1990. Ms. Pennypacker advises that the proposed legislation, as written, satisfies the intent of the legislation to allow landlords to pass through such increases. Ms. Pennypacker states that any rules and regulations necessary to implement the proposed pass through would need to be developed and adopted by the Rent Board, which has the authority to do so.

3. Mr. Grubb reports that the Rent Board is in the process of exploring options with regard to the establishment of rules and regulations for the implementation of the proposed pass through. Thus far, Mr. Grubb has gathered information from the Controller's Office, the Chief Administrative Officer (CAO) and the Assessor's Office on this subject matter. Mr. Grubb advises that the Controller's Office and the CAO have each provided a method by which the amount that a landlord could pass through to a tenant could be calculated. Mr. Grubb states that he is working with the Assessor's Office to determine the most appropriate means of documenting and notifying the landlord of the amount that could be passed through to the tenant. Examples illustrating the CAO's and Controller's Office methods for calculating the pass through amounts are detailed below. The CAO example reflects a 3-unit building with a 1990 assessed value of \$326,535. The Controller's example reflects a 10-unit building with a 1992-93 property tax bill of \$4,000.

Example - Chief Administrative Officer

	<u>Fiscal Year Ending June 30</u>						
	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994*</u>	<u>1995*</u>	<u>1996*</u>
Property Tax Rate (per \$100 of assessed value)	\$1.09	\$1.09	\$1.12	\$1.15	\$1.18	\$1.20	\$1.21
<u>Property</u>							
Assessed Value	\$326,535	\$333,063	\$339,721	\$346,512	\$353,442	\$360,511	\$367,721
Change		\$6,528	\$6,628	\$6,791	\$6,930	\$7,069	\$7,210
Percent Change		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Property Taxes	\$3,559	\$3,630	\$3,805	\$3,985	\$4,171	\$4,326	\$4,449
Increase in Taxes		\$71	\$174	\$180	\$186	\$156	\$123
Percent Change		2.0%	4.8%	4.7%	4.7%	3.7%	2.9%
Portion of Increase Due to Change in Assessed Value		\$71	\$74	\$78	\$82	\$85	\$87
Portion of Increase Due to Change in Tax Rate as a Result of Voter Approved Measures		0	\$100	\$102	\$104	\$71	\$36
Units	3	3	3	3	3	3	3
Increase Per Unit Due to Change in Tax Rate as a Result of Voter Approved Measures	0	0	\$33	\$34	\$35	\$24	\$12
Cumulative Increase Per Unit (potential pass through amount)	0	0	\$33 ((\$2.75/ per mo.)	\$67 ((\$5.58/ per mo.)	\$102 ((\$8.50/ per mo.)	\$125 ((\$10.42/ per mo.)	\$138 ((\$11.50/ per mo.)

\* Assumes passage of all three November 1992 General Obligation bonds (i.e., Fire Department, Seismic Safety, San Bruno Jail) and Laguna Honda bonds in November, 1993.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Example - Controller's Office

	Fiscal Year		<u>Tax Increase</u>
	<u>1991-92</u>	<u>1992-93</u>	
Step 1 - Property Tax Rate (per \$100 of Assessed Value)	\$1.12	\$1.15	\$0.03
Step 2 - \$0.03 (tax increase) + \$1.15 (tax rate) = 02.61%			
Step 3 - \$4,000 (property taxes) x 2.61% = \$104.40 (potential annual pass through amount)			
Step 4 - \$104.40 + 10 units = \$10.44 per unit annually.			

4. Mr. Grubb advises that it has not yet been determined what Department would be responsible for calculating the amount of the pass through. Mr. Grubb believes that it is the Controller's Office that would have the most direct access to the information needed to perform the necessary calculations. Additionally, it has not as yet been determined which, if either, of the methodologies provided by the CAO and the Controller's Office for calculating the landlord's pass through to the tenant will be utilized. Since (1) it is not yet known which City department would be responsible for calculating the amount of the pass through and (2) it has not been determined what methodology will be used to calculate the amount of pass through, the Budget Analyst is unable, as of the writing of this report, to determine (1) if the proposed legislation would have a fiscal impact on the City and (2) what amount the landlord would pass through to the tenant. Therefore, the Budget Analyst recommends that this item be continued to the Economic and Social Policy Committee meeting on September 29, 1992, in order to allow the Rent Board additional time to make a determination as to which City department would be responsible for performing the calculations and what methodology will be used to calculate the amount of pass through.

Recommendation

Continue this item to the Economic and Social Policy Committee meeting on September 29, 1992.



Item 4 - File 109-92-2

1. The proposed ordinance would amend the San Francisco Administrative Code by amending Section 37.3 thereof to raise the applicable percentage of the Consumer Price Index (CPI) component of annual allowable rent increases from 60% to 80%.

2. Section 37.3 of the Administrative Code establishes limitations on a landlord's ability to impose rent increases upon tenants. The proposed ordinance would amend Section 37.3(1) to provide that a landlord may impose an annual rent increase, which exceeds a tenant's base rent, by no more than 80 percent instead of no more than 60 percent of the CPI increase for the preceding 12 months. Section 37.3(1) would be further amended to provide that in no event, will the allowable annual rent increase be greater than 7 percent instead of no less than 4 percent or greater than 7 percent.

Comments

1. The proposed legislation would (1) allow landlords to increase rents up to 80 percent of the CPI instead of 60 percent for the previous year and (2) eliminate the part of the rent control ordinance that authorizes landlords to increase rents, regardless of the CPI increase, by at least 4 percent each year. The new range of allowable increase would be from zero percent to a maximum of 7 percent.

2. Mr. Joe Grubb, Executive Director of the Rent Board advises that the proposed legislation would have minimal, if any, fiscal impact on the City (less than \$10,000). The level of fiscal impact would be determined by the number of cases referred to the Rent Board for resolution, based on miscalculation of rent increases as a result of the landlord's authorization to increase rents up to 80 percent of the CPI instead of 60 percent.

3. Proposition H on the November, 1992 ballot would also remove the part of the rent control ordinance that authorizes landlords to increase rents by at least 4 percent each year, which would result in allowable rent increases from zero percent to a maximum of 7 percent. The Controller reports that if Proposition H is approved, it should not affect the cost of City government.

4. As noted above, Section 37.3 would be amended to include two new provisions. The title of the legislation only references one of these provisions. Therefore, the title of the legislation should be amended to reference the second provision as follows: "amending Section 37.3 thereof to raise the applicable percentage of the Consumer Price Index (CPI) component of annual allowable rent increases from 60% to 80%, and to eliminate the minimum of a 4 percent annual increase."

**Recommendations**

1. Amend the proposed legislation to add "and to eliminate the minimum of a 4 percent annual increase" to the title of the legislation.
2. Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 5 - File 97-92-47

**Item:** This item is a hearing to consider amending Administrative Code Section 10.213.E.4. (a) through (d) to require that all City contracts with firms that do not sign the declaration of compliance with the South Africa divestiture ordinance, be reviewed and approved by the Board of Supervisors.

**Description:** Section 10.213 of the Administrative Code, "Contractual Services, Real and Personal Property Agreements," defines prohibited transactions, specifies contract conditions and declarations required, and provides conditions under which the foregoing will not be applicable, all in connection with business relationships with the government of South Africa or with other entities doing business in South Africa.

Section 10.213 A., "Prohibited Transactions," is concerned with business relations with South Africa and defines "prohibited transactions" as those transactions that involve either a prohibited ownership interest, as defined in Section 10.211(k) of the Administrative Code, or involve providing goods or services to (1) the government of South Africa; (2) any business or entity organized under the laws of South Africa; or (3) any business entity for the express purpose of assisting that business' operations in, or that business' trading with, any public or private entity located in South Africa. Section 10.213 A. provides that the City will not enter into an agreement for contractual services or any lease, permit, license or other agreement for the use or sale of the City's real or personal property with entities engaged in such prohibited transactions, subject to the exceptions provided in Section 10.213.E.

Section 10.213.B., "Contract Condition," requires that each contract for services, or for the use or sale of the City's real or personal property, include as a material condition to that agreement that the contractor does not have a prohibited ownership interest and that the contractor is not the government of South Africa, an entity organized under the laws of South Africa, or an entity doing business in South Africa.

Section 10.213.D. "Declaration Required," provides that contracting officers, prior to entering into a lease, permit, or other agreement for the use or sale of the City's real or personal property, or prior to contracting with any business entity for the provision of contractual services not subject to competitive and sealed bid, obtain a declaration under penalty of perjury, on a form prescribed by the Purchaser,

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

certifying that the business entity does not have any relationship of the type listed in Section 10.213.A., cited above. For contracts subject to competitive and sealed bids, except as prohibited by State or Federal law or regulation, all contracting entities of the City shall require the declaration as a material part of any bid. Subject to the provisions of Section 12.213.E., described below, failure to include the declaration in any bid shall make such bid a non responsive bid.

Section 10.213.E., "Nonapplicability; Findings: Alternate Selection," provides that the foregoing provisions shall not apply to contracts entered into prior to March 9, 1986, or to contracts for an aggregate value of \$5,000 or less, or under certain other conditions, such as leases, permits, or other agreements of nominal value. Section 10.213.E. also specifies that the foregoing provisions shall not apply when the contracting officer finds that (1) no other entity is capable of performing the desired function; (2) the City would incur a financial loss which, in the opinion of the contracting officer would violate his or her fiduciary duties; (3) the inclusion of the provisions would violate or be inconsistent with the terms or conditions with a grant, subvention or contract with an agency of the State of California or the United States; or (4) the inclusion or application of such provisions would violate or be inconsistent with the laws of the State or Federal government.

This hearing is to consider requiring that the Board of Supervisors approve all contracts granted an exception by the contracting officer under conditions (1) through (4) in the preceding paragraph.

**Comments:**

1. As previously stated, this hearing concerns amending the Administrative Code to provide that the Board of Supervisors approve all contractual agreements for services and for use or sale of the City's real or personal property with any business entity having a prohibited relationship involving South Africa. Sections 10.212 and 10.214 of the Administrative Code, "Deposit and Investment of City Funds," and "Purchase of Commodities," respectively, which also control the City's contractual relations with entities involved with South Africa, are not currently included in the subject matter of the hearing.

2. The Budget Analyst has been informed by the hearing sponsor that the hearing request will be amended to include the applicable provisions of Sections 10.212 and 10.214. Therefore the hearing would be expanded to include changes

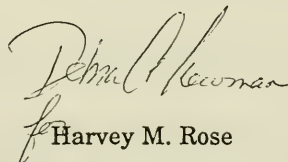
**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



to the Administrative Code that would require the Board of Supervisors to approve contractual agreements to which the City is party concerning the purchase of commodities and the deposit and investment of City funds, in addition to contractual agreements for services and the use or sale of the City's real or personal property.

3. Staff responsibility for administering the various provisions of the Administrative Code controlling contracting relations with entities involved with South Africa resides with the City Purchaser. Mr. Ara Minasian of the Purchasing Department reports that the Purchasing Department currently cannot provide detailed information on the number of contracts that would have to be approved by the Board of Supervisors on an annual basis, but that the Department is working with the Information Systems Division (ISD) of the Controller's Office to obtain that information.

4. Mr. Minasian reports that the cost of administering an Administrative Code provision that would require the Board of Supervisors to approve contracts that are the subject of this hearing cannot be determined until the Purchasing Department determines the number of such contracts that are awarded on an annual basis. Mr. Minasian reports that his discussions with ISD indicate that such information could be made available within approximately six weeks.



Harvey M. Rose

cc: Supervisor Kennedy      Kent Sims  
Supervisor Achtenberg      Jean Mariani  
Supervisor Conroy      Barbara Kolesar  
President Shelley      Ted Lakey  
Supervisor Alioto  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





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REGULAR MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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TUESDAY, SEPTEMBER 22, 1992 - 2:00 P.M.

Room 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 18-92-12. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)

Stop Signs - Establish

26th and Sanchez Streets, northwest and southeast corners, stopping Sanchez Street traffic (makes this an all-way Stop).

34th Avenue and Irving Street, northeast and southwest corners, stopping Irving Street traffic (makes this an all-way Stop).

Ocean Avenue and Clerfield Drive, northeast and southwest corners, stopping Ocean Avenue traffic (makes this an all-way Stop).

- (b) File 19-92-12. [Parking Regulation] Recommending establishment of Tow-Away, No Parking Anytime, Great Highway, both sides, between Fulton Street and Sloat Boulevard. (Department of Parking and Traffic)
    - (c) File 20-92-12. [Traffic Regulations] Recommending establishment and extended hours of traffic regulations, various streets. (Department of Parking and Traffic)

No Turn On Red - Establish

4th Street, southbound, at Howard Street.  
Howard Street, westbound, at 4th Street.

Green Zone, 9 am - 4 pm, 6 pm - 9 pm - Extend Hours

1400 Guerrero Street, from 3 feet to 28 feet south of 26th Street (25-foot zone, currently 9 am - 4 pm).

Green Zone 9 am - 9 pm - Extend Hours

500 Kirkham Street, from 12 feet to 79 feet west of 9th Avenue (67-foot zone, currently 9 am - 6 pm).

Green Zone, 7 am - 7 pm - Extend Hours

2723 Van Ness Avenue, from 131 feet to 169 feet south of Lombard Street (38-foot zone, currently 9 am - 6 pm).

Green Zone, 8 am - 12 midnight - Extend Hours  
Florida Street, west side, 22 feet south from Precita Avenue  
(22-foot zone, currently 9 am - 6 pm).

Tow-Away, No Stopping Anytime - Establish  
Pacific Avenue, north side, 22 feet westerly from Sansome Street  
(22-foot zone).  
Powell Street, east side, 20 feet northerly from Broadway (20-foot zone).  
Bosworth Street, north side, from 40 feet east of Lyell Street to 120  
feet west of Lyell Street (160-foot zone).  
7th Street, west side, 110 feet northerly from Bryant Street  
(110-foot zone).

- (d) File 40-92-9. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "P" in the Anza Vista/Beideman area; and adding Fulton Street, between Central Avenue and Lyon Street, both sides to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)
- (e) File 40-92-10. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "H" in the Lakeside area; and adding 19th Avenue, between Ocean Avenue and Sloat Boulevard, east side, to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)

ACTION:

#### REGULAR CALENDAR

- 2. File 115-92-10. [Van Ness Avenue Special Use District] Ordinance amending the City Planning Code by amending Section 243, Van Ness Avenue Special Use District, to permit awnings, canopies and marquees. (City Planning Department)  
(Approved by City Planning Commission Resolution No. 13320)  
(General Rule Exclusion from Environmental Impact Review)

ACTION:

- 3. File 97-92-48. [Rent Ordinance] Amending the San Francisco Administrative Code by amending Sections 37.2 and 37.8 thereof to exclude from the definition of rent increases a landlord's passthrough to tenants of increased costs caused by increases in the property tax rate or by parcel taxes imposed as a result of voter approved ballot measures on or after June 5, 1990 and to provide that such passthroughs are not deemed increases in operating and maintenance expenses. (Mayor) (Continued from 9/15/92)

ACTION:

- 4. File 109-92-2. [Rent Ordinance] Ordinance amending the San Francisco Code by amending Section 37.3 thereof to raise the applicable percentage of the consumer price index component of annual allowable rent increases from 60% to 80%. (Mayor)  
(Continued from 9/15/92)

ACTION:

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SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 18, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** September 22, 1992 Economic and Social Policy Committee Meeting

Item 3 - File 97-92-48

**Note:** This item was continued from the September 15, 1992, Economic and Social Policy Committee meeting.

1. The proposed ordinance would amend the San Francisco Administrative Code by amending Sections 37.2 and 37.8 thereof to exclude from the definition of rent increases a landlord's pass through to tenants of increased costs caused by increases in the property tax rate or by parcel taxes imposed as a result of voter approved ballot measures on or after June 5, 1990 and to provide that such pass throughs are not deemed increases in operating expenses. Parcel taxes refer to the San Francisco Unified School District tax (Proposition B) approved in 1990. Under this tax, property owners are charged an annual flat \$23 rate per residential unit and commercial parcel.

2. Section 37.2(o) outlines the definition as to what constitutes rent increases, including (1) any additional monies demanded or paid for in connection with any rehabilitation or repair work done by the landlord to a rental unit or common area in order to be in compliance with State or local law or done to repair damage resulting from fire, earthquake or other casualty or natural disaster or (2) any reduction in housing services without a corresponding reduction in the monies demanded or paid for rent. An exception under this definition provides that where the landlord has been paying the tenant's utilities and the cost of those utilities increase, the landlord's pass through of such costs to the tenant does not constitute a rent increase.

3. The proposed ordinance would amend Section 37.2(o) to further provide that where there has been an increase in the property tax rate or parcel tax imposed on the landlord as a result of a voter approved ballot measure on or after June 5, 1990, the landlord's passing through of such increased taxes to the tenant would not constitute a rent increase.

### Comments

1. The Economic and Social Policy Committee adopted an Amendment of the Whole to the proposed legislation at its meeting of September 15, 1992. The Amendment of the Whole corrected the title of the proposed legislation.

2. According to Mr. Joe Grubb, Executive Director of the Rent Board, the intent of the proposed legislation would be to permit landlords to pass through any increases, which result from an increase in the property tax rate or the parcel tax as a result of any previous voter approved ballot measure. The base period for determining how much could be passed through would be June 5, 1990. Ms. Pennypacker advises that the proposed legislation, as written, satisfies the intent of the legislation to allow landlords to pass through such increases. Ms. Pennypacker states that any rules and regulations necessary to implement the proposed pass through would need to be developed and adopted by the Rent Board, which has the authority to do so.

3. At its meeting of September 15, 1992, the Economic and Social Policy Committee requested that the Budget Analyst address the potential effects of the proposed legislation by developing scenarios of impacts on rents for various residential units, assuming various levels of increases in the Consumer Price Index. That analysis combines elements of this proposed legislation and the proposed legislation contained in File 109-92-2 (Item 4 on the Economic Social Policy Committee calendar for September 22, 1992.) File 109-92-2 would amend the Administrative Code to raise the applicable percentage of the Consumer Price Index (CPI) component of annual rent increases from 60% to 80% and would also provide that in no event would the allowable rent increase be greater than 7 percent, instead of the existing provision of no less than 4 percent or greater than 7 percent.

4. The impact scenarios for three types of rental residential buildings are attached (Attachments I, II, and III). A general description of the scenarios is as follows:

- a. Page 1 of each attachment addresses the effects of passing through to tenants increased costs to landlords caused by increases in the property tax rate and by parcel taxes imposed as a result of voter approved ballot measures. Data are shown for the period 1989 through 2000 and draw heavily on information provided by the CAO's General Obligation Debt Model. The Property Tax rates, shown per \$100 of assessed value in the row just below the fiscal year, result from a conservative approach to future outstanding General Obligation debt in that they assume passage of all three November 1992 General Obligation bonds and Laguna Honda



bonds in November 1993 and thus show a near-maximum pass through to tenants. The bottom row on Page 1 of each Attachment shows the expected monthly pass through cost per unit to renters, which varies from building to building depending on the buildings assessed valuation and number of units.

- b. Page 2 of each Attachment is primarily concerned with determining the effects of three rental increase policy alternatives, based on postulated low, medium, and high CPI increases. The three rental increase policy alternatives are as follows:
  - (1) 60% of CPI increases, with no property tax rate increase or parcel tax pass throughs. (This alternative reflects the proposed November 1992 Proposition H).
  - (2) 60% of CPI increases, with a minimum increase of 4% and no pass throughs. (This alternative reflects the existing legislation).
  - (3) 80% of CPI increases, with pass throughs of property tax rate increases and parcel taxes. (This alternative reflects the two proposed Rent Board ordinances).
- c. The medium CPI level was derived from information provided by large national banks and by Pacific Gas and Electric (PG&E). The low CPI level and the high CPI level were derived by subtracting 1.5% from, and adding 3.0% to, respectively, the medium CPI level, and is based on judgment after consulting with various sources.
- d. Two rental levels are shown for each residential building, to reflect the probable distribution of rents in the buildings and to provide data for a more extensive analysis of the effects of alternative rental cost recovery policies.

5. The data show that renters fare best under the policy of a 60% of CPI rental increase with no minimum CPI provision or pass throughs, regardless of CPI level.

6. The data also show the existing rental increase policy of 60% of CPI with a 4% minimum to be favorable to tenants compared to 80% of CPI with pass through alternative at the high CPI level, but that the 80% of CPI alternative with pass throughs is more favorable to tenants if the CPI remains at a low or medium level.

### **Recommendation**

Approval of the proposed legislation is a policy matter for the Board of Supervisors.

Three Unit Building - Reassessed in January of 1990

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Property Tax Rate (per \$100 of assessed value)	1.09	1.09	1.09	1.12	1.15	1.18	1.20	1.21	1.21	1.21	1.21	1.17
Assessed Value	\$320,132	\$326,535	\$333,066	\$339,727	\$346,522	\$353,452	\$360,521	\$367,731	\$375,086	\$382,588	\$390,240	\$398,044
Change		\$6,403	\$6,531	\$6,661	\$6,785	\$6,930	\$7,069	\$7,210	\$7,355	\$7,502	\$7,652	\$7,805
Percent Change		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Property Taxes	\$3,489	\$3,628	\$3,699	\$3,874	\$4,064	\$4,233	\$4,392	\$4,551	\$4,604	\$4,691	\$4,775	\$4,798
Increase in Taxes		\$139	\$71	\$175	\$190	\$168	\$159	\$127	\$85	\$87	\$85	(\$37)
Percent Change		4.0%	2.0%	4.7%	4.9%	4.1%	3.8%	2.9%	1.9%	1.9%	1.8%	-0.8%
Portion of Increase		\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Due to Parcel Tax												
Portion due to		\$0	\$0	\$102	\$114	\$88	\$76	\$40	(\$4)	(\$4)	(\$8)	(\$131)
Bond Measures												
Portion due to Bond Measures		\$69	\$0	\$102	\$114	\$88	\$76	\$40	(\$4)	(\$4)	(\$8)	(\$131)
plus Parcel Tax												
Portion Due to Change		\$70	\$71	\$73	\$76	\$80	\$83	\$86	\$89	\$91	\$92	\$94
In Assessed Value												
Number of Units	3	3	3	3	3	3	3	3	3	3	3	3
Increase per unit		\$23.00	\$0.00	\$33.97	\$38.12	\$29.45	\$25.24	\$13.48	(\$1.25)	(\$1.28)	(\$2.60)	(\$43.78)
Due to Voter Approvals												
Cumulative Increase Per Unit (Potential Pass Through Amt.)		\$23	\$23	\$57	\$95	\$125	\$150	\$163	\$162	\$161	\$158	\$114
Monthly Pass Through Per Unit		\$1.92	\$1.92	\$4.75	\$7.92	\$10.38	\$12.48	\$13.61	\$13.50	\$13.39	\$13.18	\$9.53



	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Cons. Price Index	126.4	132.1	137.9	142.0	145.5	149.3	153.2	157.1	161.2	165.4	169.7	174.1
CPI % Increase:Low	4.51	4.39	4.39	2.97	1.90	1.80	1.80	2.20	2.50	3.00	2.70	2.90
CPI % Increase:Med	4.51	4.39	4.39	2.97	3.4	3.3	3.3	3.7	4	4.5	4.2	4.4
CPI % Increase:High	4.51	4.39	4.39	2.97	6.40	6.30	6.30	6.70	7.00	7.50	7.20	7.40
Monthly Rent Amt												
Low CPI		\$500										
60%- No Pass throughs-No4%		\$514	\$527	\$536	\$543	\$548	\$554	\$562	\$570	\$580	\$590	\$600
60%-4% Floor-No Passthrough		\$520	\$541	\$562	\$585	\$608	\$633	\$658	\$684	\$712	\$740	\$770
80%-No Floor-With Passthrough		\$520	\$540	\$558	\$574	\$593	\$614	\$638	\$664	\$694	\$722	\$748
Monthly Rent Amt		\$500										
Med CPI												
60%- No Pass throughs-No4%		\$514	\$527	\$536	\$547	\$558	\$569	\$582	\$596	\$612	\$627	\$644
60%-4% Floor-No Passthrough		\$520	\$541	\$562	\$585	\$608	\$633	\$658	\$684	\$712	\$740	\$770
80%-No Floor-With Passthrough		\$520	\$540	\$558	\$581	\$607	\$635	\$667	\$702	\$741	\$779	\$816
Monthly Rent Amt		\$500										
High CPI												
60%- No Pass throughs-No4%		\$514	\$527	\$536	\$557	\$578	\$600	\$624	\$650	\$680	\$709	\$740
60%-4% Floor-No Passthrough		\$520	\$541	\$562	\$585	\$608	\$633	\$658	\$686	\$717	\$748	\$777
80%-No Floor-With Passthrough		\$520	\$540	\$558	\$594	\$635	\$679	\$729	\$783	\$841	\$901	\$961
Monthly Rent Amt		\$1,000										
Low CPI												
60%- No Pass throughs-No4%		\$1,027	\$1,054	\$1,073	\$1,085	\$1,097	\$1,109	\$1,123	\$1,140	\$1,161	\$1,180	\$1,200
60%-4% Floor-No Passthrough		\$1,040	\$1,082	\$1,125	\$1,170	\$1,217	\$1,265	\$1,316	\$1,369	\$1,423	\$1,480	\$1,539
80%-No Floor-With Passthrough		\$1,038	\$1,076	\$1,107	\$1,131	\$1,158	\$1,187	\$1,222	\$1,260	\$1,303	\$1,345	\$1,385
Monthly Rent Amt		\$1,000										
Med CPI												
60%- No Pass throughs-No4%		\$1,027	\$1,054	\$1,073	\$1,095	\$1,116	\$1,139	\$1,164	\$1,192	\$1,224	\$1,255	\$1,288
60%-4% Floor-No Passthrough		\$1,040	\$1,082	\$1,125	\$1,170	\$1,217	\$1,265	\$1,316	\$1,369	\$1,423	\$1,480	\$1,539
80%-No Floor-With Passthrough		\$1,038	\$1,076	\$1,107	\$1,145	\$1,185	\$1,229	\$1,279	\$1,334	\$1,395	\$1,455	\$1,516
Monthly Rent Amt		\$1,000										
High CPI												
60%- No Pass throughs-No4%		\$1,027	\$1,054	\$1,073	\$1,114	\$1,156	\$1,200	\$1,248	\$1,301	\$1,359	\$1,418	\$1,481
60%-4% Floor-No Passthrough		\$1,040	\$1,082	\$1,125	\$1,170	\$1,217	\$1,265	\$1,316	\$1,369	\$1,423	\$1,480	\$1,539
80%-No Floor-With Passthrough		\$1,038	\$1,076	\$1,107	\$1,171	\$1,241	\$1,316	\$1,400	\$1,492	\$1,589	\$1,691	\$1,798

12 Unit Building - Reassessed in April 1975

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Property Tax Rate (per \$100 of assessed value)	1.09	1.09	1.09	1.12	1.15	1.18	1.20	1.21	1.21	1.21	1.21	1.17
Assessed Value	\$95,500	\$97,410	\$99,358	\$101,345	\$103,372	\$105,440	\$107,549	\$109,699	\$111,893	\$114,131	\$116,414	\$118,742
Change		\$1,910	\$1,948	\$1,987	\$2,027	\$2,067	\$2,109	\$2,151	\$2,194	\$2,238	\$2,283	\$2,328
Percent Change		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Property Taxes	\$1,041	\$1,338	\$1,359	\$1,411	\$1,468	\$1,518	\$1,566	\$1,603	\$1,629	\$1,655	\$1,680	\$1,669
Increase in Taxes		\$297	\$21	\$52	\$57	\$50	\$47	\$38	\$25	\$26	\$25	(\$11)
Percent Change		28.5%	1.6%	3.8%	4.0%	3.4%	3.1%	2.4%	1.6%	1.6%	1.5%	-0.7%
Portion of Increase Due to Parcel Tax		\$276	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Measures		\$0	\$0	\$30	\$34	\$26	\$23	\$12	(\$1)	(\$1)	(\$2)	(\$39)
Portion due to Bond Measures plus Parcel Tax		\$276	\$0	\$30	\$34	\$26	\$23	\$12	(\$1)	(\$1)	(\$2)	(\$39)
Portion Due to Change In Assessed Value		\$21	\$21	\$22	\$23	\$24	\$25	\$26	\$27	\$27	\$28	\$28
Number of Units	12	12	12	12	12	12	12	12	12	12	12	12
Increase per unit		\$23.00	\$0.00	\$2.53	\$2.84	\$2.20	\$1.88	\$1.01	(\$0.09)	(\$0.10)	(\$0.19)	(\$3.27)
Due to Voter Approvals												
Cumulative Increase Per Unit (Potential Pass Through Aml.)		\$23	\$23	\$26	\$28	\$31	\$32	\$33	\$33	\$33	\$33	\$30
Monthly Pass Through Per Unit		\$1.92	\$1.92	\$2.13	\$2.36	\$2.55	\$2.70	\$2.79	\$2.78	\$2.77	\$2.76	\$2.48

12 Unit Building - Reassessed In April 1975

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Cons. Price Index	126.4	132.1	137.9	142.0	145.5	149.3	153.2	157.1	161.2	165.4	169.7	174.1
CPI % Increase:Low		4.51	4.39	2.97	1.90	1.80	1.80	2.20	2.50	3.00	2.70	2.90
CPI % Increase:Med		4.51	4.39	2.97	3.4	3.3	3.3	3.7	4	4.5	4.2	4.4
CPI % Increase:High		4.51	4.39	2.97	6.40	6.30	6.30	6.70	7.00	7.50	7.20	7.40
Monthly Rent Amt												
Low CPI												
60%- No Pass throughs-No4%	\$300											
60%-4% Floor-No Passthrough		\$308	\$316	\$322	\$326	\$329	\$333	\$337	\$342	\$348	\$354	\$360
80%-No Floor-With Passthrough		\$312	\$324	\$337	\$351	\$365	\$380	\$395	\$411	\$427	\$444	\$462
80%-No Floor-With Passthrough		\$313	\$326	\$336	\$343	\$350	\$358	\$367	\$377	\$389	\$400	\$412
Monthly Rent Amt												
Med CPI												
60%- No Pass throughs-No4%	\$300											
60%-4% Floor-No Passthrough		\$308	\$316	\$322	\$328	\$335	\$342	\$349	\$358	\$367	\$376	\$386
80%-No Floor-With Passthrough		\$312	\$324	\$337	\$351	\$365	\$380	\$395	\$411	\$427	\$444	\$462
80%-No Floor-With Passthrough		\$313	\$326	\$336	\$347	\$359	\$371	\$385	\$400	\$417	\$434	\$451
Monthly Rent Amt												
High CPI												
60%- No Pass throughs-No4%	\$300											
60%-4% Floor-No Passthrough		\$308	\$316	\$322	\$334	\$347	\$360	\$374	\$390	\$408	\$425	\$444
80%-No Floor-With Passthrough		\$312	\$324	\$337	\$351	\$365	\$380	\$395	\$411	\$430	\$449	\$466
80%-No Floor-With Passthrough		\$313	\$326	\$336	\$355	\$376	\$397	\$421	\$448	\$475	\$505	\$536
Monthly Rent Amt												
Low CPI												
60%- No Pass throughs-No4%	\$600											
60%-4% Floor-No Passthrough		\$616	\$632	\$644	\$651	\$658	\$665	\$674	\$684	\$696	\$708	\$720
80%-No Floor-With Passthrough		\$624	\$649	\$675	\$702	\$730	\$759	\$790	\$821	\$854	\$888	\$924
80%-No Floor-With Passthrough		\$624	\$647	\$665	\$677	\$690	\$702	\$717	\$735	\$755	\$774	\$795
Monthly Rent Amt												
Med CPI												
60%- No Pass throughs-No4%	\$600											
60%-4% Floor-No Passthrough		\$616	\$632	\$644	\$657	\$670	\$683	\$698	\$715	\$734	\$753	\$773
80%-No Floor-With Passthrough		\$624	\$649	\$675	\$702	\$730	\$759	\$790	\$821	\$854	\$888	\$924
80%-No Floor-With Passthrough		\$624	\$647	\$665	\$685	\$706	\$727	\$752	\$778	\$809	\$839	\$871
Monthly Rent Amt												
High CPI												
60%- No Pass throughs-No4%	\$600											
60%-4% Floor-No Passthrough		\$616	\$632	\$644	\$668	\$694	\$720	\$749	\$780	\$815	\$851	\$888
80%-No Floor-With Passthrough		\$624	\$649	\$675	\$702	\$730	\$759	\$790	\$821	\$854	\$888	\$924
80%-No Floor-With Passthrough		\$624	\$647	\$665	\$701	\$739	\$779	\$824	\$873	\$924	\$979	\$1,038

103 Unit Building - Reassessed in April 1991

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Property Tax Rate (per \$100 of assessed value)	1.09	1.09	1.09	1.12	1.15	1.18	1.20	1.21	1.21	1.21	1.21	1.17
Assessed Value	\$3,807,206	\$3,883,350	\$3,961,017	\$4,040,237	\$4,121,042	\$4,203,463	\$4,287,532	\$4,373,283	\$4,460,749	\$4,549,964	\$4,640,963	
Change	\$74,651	\$76,144	\$77,667	\$79,220	\$80,805	\$82,421	\$84,069	\$85,751	\$87,466	\$89,215	\$90,999	
Percent Change	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Property Taxes	\$43,868	\$44,698	\$46,732	\$48,953	\$50,915	\$52,769	\$54,248	\$55,242	\$56,255	\$57,242	\$58,807	
Increase in Taxes	\$3,183	\$830	\$2,035	\$2,221	\$1,962	\$1,854	\$1,480	\$994	\$1,013	\$987	(\$434)	
Percent Change	7.8%	1.9%	4.6%	4.8%	4.0%	3.6%	2.8%	1.8%	1.8%	1.8%	-0.8%	
Portion of Increase Due to Parcel Tax	\$2,369	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Portion due to Bond Measures	\$0	\$0	\$1,188	\$1,333	\$1,030	\$883	\$472	(\$44)	(\$45)	(\$91)	(\$1,532)	
Portion due to Bond Measures plus Parcel Tax	\$2,369	\$0	\$1,188	\$1,333	\$1,030	\$883	\$472	(\$44)	(\$45)	(\$91)	(\$1,532)	
Portion Due to Change in Assessed Value	\$814	\$830	\$847	\$887	\$932	\$971	\$1,008	\$1,038	\$1,057	\$1,078	\$1,097	
Number of Units	103	103	103	103	103	103	103	103	103	103	103	103
Increase per unit	\$23.00	\$0.00	\$11.54	\$12.94	\$10.00	\$8.57	\$4.58	(\$0.42)	(\$0.43)	(\$0.88)	(\$14.87)	
Due to Voter Approvals												
Cumulative Increase Per Unit (Potential Pass Through Amt.)	\$23	\$23	\$35	\$47	\$57	\$66	\$71	\$70	\$70	\$69	\$54	
Monthly Pass Through Per Unit	\$1.92	\$1.92	\$2.88	\$3.96	\$4.79	\$5.50	\$5.89	\$5.85	\$5.81	\$5.74	\$4.50	



	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Cons. Price Index	126.4	132.1	137.9	142.0	145.5	149.3	153.2	157.1	161.2	165.4	169.7	174.1
CPI % Increase:Low		4.51	4.39	2.97	1.90	1.80	1.80	2.20	2.50	3.00	2.70	2.90
CPI % Increase:Med		4.51	4.39	2.97	3.4	3.3	3.3	3.7	4	4.5	4.2	4.4
CPI % Increase:High		4.51	4.39	2.97	6.40	6.30	6.30	6.70	7.00	7.50	7.20	7.40
Monthly Rent Amt												
Low CPI	\$800											
60%- No Pass throughs-No4%		\$822	\$843	\$858	\$868	\$877	\$887	\$899	\$912	\$929	\$944	\$960
60%-4% Floor-No Passthrough		\$832	\$865	\$900	\$936	\$973	\$1,012	\$1,053	\$1,095	\$1,139	\$1,184	\$1,232
80%-No Floor-With Passthroughs		\$831	\$862	\$885	\$903	\$920	\$939	\$962	\$987	\$1,016	\$1,044	\$1,073
Monthly Rent Amt	\$800											
Med CPI												
60%- No Pass throughs-No4%		\$822	\$843	\$858	\$876	\$893	\$911	\$931	\$953	\$979	\$1,004	\$1,030
60%-4% Floor-No Passthrough		\$832	\$865	\$900	\$936	\$973	\$1,012	\$1,053	\$1,095	\$1,139	\$1,184	\$1,232
80%-No Floor-With Passthroughs		\$831	\$862	\$885	\$913	\$942	\$973	\$1,007	\$1,045	\$1,089	\$1,131	\$1,175
Monthly Rent Amt	\$800											
High CPI												
60%- No Pass throughs-No4%		\$822	\$843	\$858	\$891	\$925	\$960	\$999	\$1,040	\$1,087	\$1,134	\$1,185
60%-4% Floor-No Passthrough		\$832	\$865	\$900	\$936	\$973	\$1,012	\$1,053	\$1,097	\$1,147	\$1,196	\$1,244
80%-No Floor-With Passthroughs		\$831	\$862	\$885	\$935	\$986	\$1,042	\$1,103	\$1,171	\$1,242	\$1,318	\$1,396
Monthly Rent Amt	\$1,200											
Low CPI												
60%- No Pass throughs-No4%		\$1,232	\$1,265	\$1,288	\$1,302	\$1,316	\$1,330	\$1,348	\$1,368	\$1,393	\$1,415	\$1,440
60%-4% Floor-No Passthrough		\$1,248	\$1,298	\$1,350	\$1,404	\$1,460	\$1,518	\$1,579	\$1,642	\$1,708	\$1,776	\$1,847
80%-No Floor-With Passthroughs		\$1,245	\$1,291	\$1,324	\$1,349	\$1,373	\$1,398	\$1,429	\$1,463	\$1,504	\$1,542	\$1,582
Monthly Rent Amt	\$1,200											
Med CPI												
60%- No Pass throughs-No4%		\$1,232	\$1,265	\$1,288	\$1,314	\$1,340	\$1,366	\$1,397	\$1,430	\$1,469	\$1,506	\$1,546
60%-4% Floor-No Passthrough		\$1,248	\$1,298	\$1,350	\$1,404	\$1,460	\$1,518	\$1,579	\$1,642	\$1,708	\$1,776	\$1,847
80%-No Floor-With Passthroughs		\$1,245	\$1,291	\$1,324	\$1,364	\$1,405	\$1,448	\$1,497	\$1,550	\$1,612	\$1,672	\$1,735
Monthly Rent Amt	\$1,200											
High CPI												
60%- No Pass throughs-No4%		\$1,232	\$1,265	\$1,288	\$1,337	\$1,387	\$1,440	\$1,498	\$1,561	\$1,631	\$1,701	\$1,777
60%-4% Floor-No Passthrough		\$1,248	\$1,298	\$1,350	\$1,404	\$1,460	\$1,518	\$1,579	\$1,642	\$1,708	\$1,776	\$1,847
80%-No Floor-With Passthroughs		\$1,245	\$1,291	\$1,324	\$1,396	\$1,471	\$1,551	\$1,640	\$1,738	\$1,841	\$1,950	\$2,067





Item 4 - File 109-92-2

**Note:** This item was continued from the September 15, 1992 Economic and Social Policy Committee meeting.

1. The proposed ordinance would amend the San Francisco Administrative Code by amending Section 37.3 thereof to raise the applicable percentage of the Consumer Price Index (CPI) component of annual allowable rent increases from 60% to 80%.

2. Section 37.3 of the Administrative Code establishes limitations on a landlord's ability to impose rent increases upon tenants. The proposed ordinance would amend Section 37.3(1) to provide that a landlord may impose an annual rent increase, which exceeds a tenant's base rent, by no more than 80 percent instead of no more than 60 percent of the CPI increase for the preceding 12 months. Section 37.3(1) would be further amended to provide that in no event, will the allowable annual rent increase be greater than 7 percent instead of no less than 4 percent or greater than 7 percent.

Comments

1. The proposed legislation would (1) allow landlords to increase rents up to 80 percent of the CPI instead of 60 percent for the previous year and (2) eliminate the part of the rent control ordinance that authorizes landlords to increase rents, regardless of the CPI increase, by at least 4 percent each year. The new range of allowable increase would be from zero percent to a maximum of 7 percent.

2. Mr. Joe Grubb, Executive Director of the Rent Board advises that the proposed legislation would have minimal, if any, fiscal impact on the City (less than \$10,000). The level of fiscal impact would be determined by the number of cases referred to the Rent Board for resolution, based on miscalculation of rent increases as a result of the landlord's authorization to increase rents up to 80 percent of the CPI instead of 60 percent.

3. Proposition H on the November, 1992 ballot would also remove the part of the rent control ordinance that authorizes landlords to increase rents by at least 4 percent each year, which would result in allowable rent increases from zero percent to a maximum of 7 percent. The Controller reports that if Proposition H is approved, it should not affect the cost of City government.

4. As noted above, Section 37.3 would be amended to include two new provisions. The title of the legislation only references one of these provisions. Therefore, the title of the legislation should be amended to reference the second provision as follows: "amending Section 37.3 thereof to raise the applicable percentage of the Consumer Price Index (CPI) component of annual allowable rent increases from 60% to 80%, and to eliminate the minimum of a 4 percent annual increase."

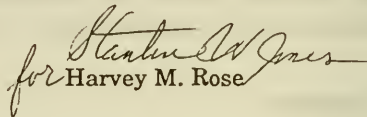
Memo to Economic and Social Policy Committee  
September 22, 1992 Economic and Social Policy Committee Meeting

5. At its meeting of September 15, 1992, the Economic and Social Policy Committee requested that the Budget Analyst determine the potential effects of implementing the provisions of this proposed legislation and the Rent Board ordinance contained in File 97-92-48 (Item 3 on the Economic and Social Policy Committee calendar for September 22, 1992). The potential impacts on rents for three types of residential buildings of varying units and assessed valuations are addressed in Item 3, File 94-92-48.

Recommendations

1. Amend the proposed legislation to add "and to eliminate the minimum of a 4 percent annual increase" to the title of the legislation.

2. Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

  
for Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Achtenberg  
Supervisor Conroy  
President Shelley  
Supervisor Alioto  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Kent Sims  
Jean Mariani  
Barbara Kolesar  
Ted Lakey

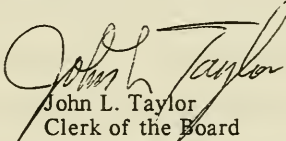
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BOARD of SUPERVISORS



City Hall  
San Francisco 94102  
554-5184

NOTICE OF CANCELLED MEETING  
ECONOMIC AND SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Economic and Social Policy Committee for Tuesday, October 13, 1992, at 2:00 p.m., has been cancelled. The next regularly scheduled meeting will be Tuesday, October 27, 1992, at 2:00 p.m. in Room 228, City Hall.

  
John L. Taylor  
Clerk of the Board

POSTED: October 6, 1992

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BOARD OF SUPERVISORS  
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Public Hearing Notice

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CALENDAR

REGULAR MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
=BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, OCTOBER 27, 1992 - 2:00 P.M.

Room 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- (a) File 18-92-13. [Stop Intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)

Stop Signs - Establish

Balceta Avenue and Laguna Honda Boulevard, northeast and southwest corners, stopping Balceta Avenue traffic.

Balceta and Vasquez Avenues, northeast corner, stopping Balceta Avenue traffic.

Vasquez Avenue and Laguna Honda Boulevard, southwest corner, stopping Vasquez Avenue traffic.

Garcia and Hernandez Avenues, southeast corner, stopping Garcia Avenue.

Hernandez and Merced Avenues, southeast corner, stopping Hernandez Avenue (makes this an all-way Stop).

Utah and Mariposa Streets, all corners, stopping all approaches (makes this an all-way Stop).

16th and De Haro Streets, northeast and southwest corners, stopping 16th Street (makes this an all-way Stop).

Ankeny, Alder and Ordway Streets, southwest and northeast corners, stopping Alder and Ordway Streets.

Brussels and Ward Streets, all corners, stopping all approaches (makes this an all-way Stop).

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Goettingen and Ward Streets, all corners, stopping all approaches (makes this an all-way Stop).

Bowdoin and Olmstead Streets, northeast and southwest corners, stopping Olmstead Street.

Britton Street and Visitacion Avenue, northwest and southeast corners, stopping Britton Street.

Colby and Olmstead Streets, northwest and southeast corners, stopping Colby Street.

Goettingen and Olmstead Streets, northwest and southeast corners, stopping Goettingen Street.

Loehr Street and Visitacion Avenue, northwest and southeast corners, stopping Loehr Street.

Rutland Street and Tucker Avenue, northeast and southwest corners, stopping Tucker Avenue.

17th and Harrison Streets, all corners, stopping all approaches (makes this an all-way Stop).

- (b) File 19-92-11. [Parking Regulations] Recommending establishment of parking regulations, various streets. (Department of Parking and Traffic)

Tow-Away No Parking Anytime – Establish

Dead-end portion of cul-de-sac on Kearny Street, south of Chestnut Street, replacing existing red curb.

Two-Hour Parking Time Limit, 9 AM-6 PM, Monday-Saturday – Establish  
Hayes Street, both sides, between Octavia and Laguna Streets.

- (c) File 19-92-13. [Parking Regulations] Recommending establishment and extension of parking regulations at various locations. (Department of Parking and Traffic)

No Parking Anytime – Establish

Greenwich Street, east terminus at Telegraph Hill Boulevard around traffic island and curb at the end portion.

Mars Street, west side, from 17th Street to 105 feet southerly (105-foot zone).

Tow-Away, No Parking Anytime – Establish

France Avenue, south side, from 100 feet east of Moscow Street to east terminus (75-foot zone).

Parking Meter Area Number Three (3), One-Hour Parking Time Limit – Extend  
Potrero Avenue, west side, between 15th and 16th Streets.

Market Street, north side, between Duboce Avenue and Church Street.



- (d) File 19-92-14. [Parking Regulations] Recommending establishment of parking regulations at various locations. (Department of Parking and Traffic)

Motorcycle Parking (Non-Metered) – Establish

Montgomery Street, south terminus, west side, 32 feet south of Montague Plance (7-foot zone, 2 stalls).

Montgomery Street, west side, from 48 feet to 55 feet north of Union Street (7-foot zone, 1 parallel stall).

Montgomery Street, east side, from 10 feet to 17 feet south of Alta Street (7-foot zone, 1 parallel stall).

Montgomery Street, west side, from 12 feet to 19 feet north of Filbert Street (7-foot zone, 1 parallel stall).

Montgomery Street, west side, from 42 feet to 49 feet north of Filbert Street (7-foot zone, 1 parallel stall).

Montgomery Street, west side, from 96 feet to 103 feet south of Greenwich Street (7-foot zone, 1 parallel stall).

Montgomery Street, west side, 7 feet southerly from the north extension of Greenwich Street (7-foot zone, 1 parallel stall).

Montgomery Street, east side, from 76 feet to 83 feet south of Alta Street (7-foot zone, 1 parallel stall).

Perpendicular (Right-Angle) Parking – Establish

Montgomery Street, east side, 175 feet southerly from Union Street (175-foot zone).

Compact Perpendicular (Right Angle) Parking – Establish

Montgomery Street, east side, from 95 feet to 135 feet south of Alta Street (40-foot zone).

Compact Parking – Establish

Montgomery Street, west side, from 39 feet to 54 feet north of Montague Street (15-foot zone).

Montgomery Street, east side, from 33 feet to 48 feet south of Alta Street (15-foot zone).

Montgomery Street, east side, from 37 feet to 104 feet north of Alta Street (67-foot zone).

- (e) File 20-92-13. [Traffic Regulations] Recommending establishment and revocation of traffic regulations, various streets. (Department of Parking and Traffic)

No Left Turn – Establish

North Point Street, westbound, at Polk Street.

Tow-Away, No Stopping Anytime – Establish

O'Farrell Street, south side, between Cyril Magnin and Powell Streets.

Mission Street, north side, 225 feet westerly from South Van Ness Avenue (225-foot zone).

Tow-Away, No Stopping Anytime – Rescind

Market Street, north side, from Duboce Avenue to 175 feet east of Church Street.

Tow-Away, No Stopping Anytime, Except Tour Buses – Establish

Mint Street, east side, 165 feet northerly from Mission Street (165-foot zone, to legalize existing condition).

ACTION:

2. File 115-91-3. [Designating the Buena Vista North Historic District] Ordinance amending Article 10 of the City Planning Code, Part II Chapter II of the Municipal Code by adding Appendix J designating the Buena Vista North Historic District. (Department of City Planning) (Continued from 8/25/92)

(Approved by City Planning Commission by Resolution No. 13002.)  
(Categorically exempt from Environmental Impact Review.)

ACTION:

3. File 97-92-47. Hearing to consider amending the Administrative Code Section 10.213, E.4. (a) thru (d) to require all City contracts with companies who do not sign the declaration compliance with the South Africa divestiture ordinance be reviewed and approved by the Board of Supervisors. (Supervisor Kennedy)  
(Continued from 9/15/92)

ACTION:

4. File 124-92-9. [Parking Meters] Ordinance amending Traffic Code by amending Section 32.8.12 thereof, to remove the parking facility at 1350 Bush Street from those off-street parking sites on which parking meters may be used. (Parking Authority) FISCAL IMPACT

ACTION:

5. File 36-92-4. [Zoning Map Change] Ordinance adopting the abolition of setback lines as an amendment to the zoning map of the City and County of San Francisco for property located in an RH-2 (House, Two-Family) District, on the east side of 35th Avenue between Cabrillo and Fulton Streets, Lots 15, 15A, 15B, 16, 16A, 16B, 16C, 17, 17A, 17B, 17C, 17D, 17E, 17F, 18, 19 and 19A in Assessor's Block 1677; and adopting findings pursuant to Section 101.1. (Department of City Planning)

(Approved by City Planning Commission Resolution No. 13374)  
(Non-Physical Exclusion from Environmental Impact Review)

ACTION:

6. File 161-92-7. [South of Market Survey Area] Resolution amending Resolution No. 177-90, designating and describing the South of Market Survey Area by adding additional Land to said survey area. (Redevelopment Agency) FISCAL IMPACT

ACTION:

7. File 257-92-2. Hearing to consider a comprehensive policy for clean up of contaminated sites of former gas stations in San Francisco and establishment of proper neighborhood notification procedures, setting emissions standards, noise levels and site enclosure policies. (Supervisor Hallinan)

ACTION:

ECONOMIC & SOCIAL POLICY COMMITTEE  
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## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

October 23, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations.*  
**SUBJECT:** October 27, 1992 Economic and Social Policy Committee Meeting

Item 3 - File 97-92-47

**Note:** This item was continued at the Economic and Social Policy Committee meeting of September 15, 1992

**Item:** Hearing to consider amending Administrative Code Section 10.213.E.4. (a) through (d) to require that all City contracts with companies that do not sign the declaration of compliance with the South Africa divestiture ordinance be reviewed and approved by the Board of Supervisors.

**Description:** Section 10.213 of the Administrative Code, "Contractual Services, Real and Personal Property Agreements," defines prohibited transactions, specifies contract conditions and declarations required, and provides conditions under which the foregoing will not be applicable, with respect to business relationships with the government of South Africa or with other entities doing business in South Africa.

Section 10.213 A., "Prohibited Transactions," is concerned with business relations with South Africa and defines "prohibited transactions" as those transactions that involve either a prohibited ownership interest, as defined in Section 10.211(k) of the Administrative Code, or involve providing goods or services to (1) the government of South Africa; (2) any business or entity organized under the laws of South Africa; or (3) any business entity for the express purpose of

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assisting that business' operations in, or that business' trading with, any public or private entity located in South Africa. Section 10.213 A. provides that the City will not enter into an agreement for contractual services or any lease, permit, license or other agreement for the use or sale of the City's real or personal property with entities engaged in such prohibited transactions, subject to the exceptions provided in Section 10.213.E.

Section 10.213.B., "Contract Condition," requires that each contract for services, or for the use or sale of the City's real or personal property, include as a material condition to that agreement that the contractor does not have a prohibited ownership interest and that the contractor is not the government of South Africa, an entity organized under the laws of South Africa, or an entity doing business in South Africa.

Section 10.213.D. "Declaration Required," provides that contracting officers, prior to entering into a lease, permit, or other agreement for the use or sale of the City's real or personal property, or prior to contracting with any business entity for the provision of contractual services not subject to competitive and sealed bid, obtain a declaration under penalty of perjury, on a form prescribed by the Purchaser, certifying that the business entity does not have any relationship of the type listed in Section 10.213.A., cited above. For contracts subject to competitive and sealed bids, except as prohibited by State or federal law or regulation, all contracting entities of the City shall require the declaration as a material part of any bid. Subject to the provisions of Section 10.213.E., described below, failure to include the declaration in any bid shall make such bid a non responsive bid.

Section 10.213.E., "Nonapplicability; Findings: Alternate Selection," provides that the foregoing provisions shall not apply to contracts entered into prior to March 9, 1986, or to contracts for an aggregate value of \$5,000 or less, or under certain other conditions, such as leases, permits, or other agreements of nominal value. Section 10.213.E. also specifies that the foregoing provisions shall not apply when the contracting officer finds that (1) no other entity is capable of performing the desired function; (2) the City would incur a financial loss which, in the opinion of the contracting officer would violate his or her fiduciary duties; (3) the inclusion of the provisions would violate or be inconsistent with the terms or conditions with a grant, subvention or contract with an agency of the State of California or the United States; or (4)



the inclusion or application of such provisions would violate or be inconsistent with the laws of the State or federal government.

This hearing is to consider requiring that the Board of Supervisors approve all contracts granted an exception by the contracting officer under conditions (1) through (4) in the preceding paragraph.

**Comments:**

1. As previously stated, this hearing concerns amending the Administrative Code to provide that the Board of Supervisors approve all contractual agreements for services and for use or sale of the City's real or personal property with any business entity having a prohibited relationship involving South Africa. Sections 10.212 and 10.214 of the Administrative Code, "Deposit and Investment of City Funds," and "Purchase of Commodities," respectively, which also control the City's contractual relations with entities involved with South Africa, are not currently included in the subject matter of the hearing.

2. The Budget Analyst has been informed by the hearing sponsor that the hearing request will be amended to include the applicable provisions of Sections 10.212 and 10.214. Therefore the hearing would be expanded to include changes to the Administrative Code that would require the Board of Supervisors to approve contractual agreements to which the City is party concerning the purchase of commodities and the deposit and investment of City funds, in addition to contractual agreements for services and the use or sale of the City's real or personal property.

3. Staff responsibility for administering the various provisions of the Administrative Code controlling contracting relations with entities involved with South Africa resides with the City Purchaser. Mr. Mark Rosaaen of the Purchasing Department reports that the Purchasing Department is currently working with the Information Systems Division (ISD) of the Controller's Office to obtain detailed information on the number of contracts that would have to be approved by the Board of Supervisors on an annual basis. Mr. Rosaaen reports that he expects to have that information prior to the Economic and Social Policy Committee meeting of October 27, 1992. However, as of the writing of this report, that information, and information concerning the cost of administering an Administrative Code provision that would require the Board of Supervisors to approve contracts that are the subject of this hearing, cannot be determined.

4. The Budget Analyst recommends that the hearing on the proposed amendment be continued to the November 10, 1992, meeting of the Economic and Social Policy Committee, so that the information provided the Committee by the Purchasing Department can receive adequate analysis regarding workloads and costs.

Item 4 - File 124-92-9

**Department:** Parking Authority

**Item:** Ordinance amending the Traffic Code by amending Section 32.8.12 thereof, to authorize the removal of the 38 metered parking spaces at 1350 Bush Street.

**Description:** The metered parking facility at 1350 Bush Street, which will become an annex to the new Polk-Bush Garage facility, currently contains 38 metered parking spaces on property leased from the San Francisco Unified School District. This annex will be converted from the existing 38-space metered parking facility to a 32-space secured monthly parking facility addition to the adjoining Polk-Bush Parking Garage. The Polk-Bush Parking Garage has 132 parking spaces, which would be increased to 164 parking spaces with the addition of 32 parking spaces from the parking annex at 1350 Bush Street.

**Comments:** 1. Mr. Kevin Hagerty, Director of the Parking Authority, advises that the 1350 Bush Street metered parking facility generated \$12,235 in revenues from 1991-92. Further, Mr. Hagerty reports that the conversion of the existing metered parking facility into an annex to the new Polk-Bush Garage is estimated to cost approximately \$50,000 (previously reported to cost \$40,000), which would be paid for by previously appropriated Off-Street Parking Funds.

2. As previously noted, the parking annex would have six less parking spaces, a reduction from 38 spaces to 32 spaces, with the conversion from metered parking to parking as part of a new Polk-Bush Garage. Mr. Hagerty advises that the reduction of six spaces is necessitated by the installation of a new gate that is recessed at the current entrance on Bush Street. The placement of the new gate requires the removal of six existing parking spaces.

3. Mr. Hagerty also advises that the 38 meters will be removed by the Department of Parking and Traffic's meter shop as part of their normal duties at the time the contractor for the Polk-Bush Garage renovates the annex for the additional garage space. Mr. Hagerty estimates that this work would begin in approximately three weeks and that the conversion would require from four to six weeks to complete. The 38 meters will be used to replace broken meters throughout the City as needed.

4. Mr. Hagerty also reports that merchants in the immediate vicinity of the proposed parking annex strongly support the conversion of the existing metered parking facility into a monthly parking facility because loitering, vandalism and other negative street activities are currently taking place at the existing metered facility. With the proposed conversion from metered parking, a new monthly rental parking facility annex would eliminate transient parking on a daily basis.

5. On August 17, 1992, the Board of Supervisors adopted Ordinance 273-92 (File 47-92-5) authorizing a management agreement with a private garage operator to manage the Polk-Bush Parking Garage. The management agreement (after deduction of parking tax and payment of \$12,000 annual rent for the annex property) would allow the garage operator to receive a monthly management fee (based on the monthly cost to operate the garage and to be adjusted annually according to the Consumer Price Index) paid from the gross parking revenues and five percent of the garage gross revenues exceeding \$300,000 per year. The balance of revenues would accrue to the City's Off-Street Parking Fund.

6. On October 13, 1992, the Board of Supervisors approved Resolution No. (File 47-92-5.1), which awarded management of the Polk-Bush Garage to the firm of City Parking.

7. The Parking Authority estimates that the Polk-Bush Garage and annex will initially generate gross annual revenues of \$275,000. The Parking Authority estimates that \$55,000 of the \$275,000 would be deducted for parking tax, based on a 25 percent parking tax, leaving a balance of \$220,000 (1.25 divided by \$275,000). Of the remaining \$220,000, the Parking Authority estimates that \$12,000 would be paid to the San Francisco Unified School District for rental of the annex property, the management fee of \$156,948 (\$13,079 monthly) would be paid to City Parking, and a balance of \$51,052 less the operator's expenses for property insurance and possessory interest tax would accrue to the City's Off-Street Parking Fund. Mr. Hagerty states that estimates of the costs of property insurance and possessory interest tax have not been made because this is the first time that a management agreement has been used and because there are no other garages with comparable characteristics to the Polk-Bush Garage that can be used as a basis for these estimates. In Mr. Hagerty's opinion, these costs for property insurance and possessory interest tax will not exceed the estimated balance of \$51,052 net income.

**Recommendation:** Approve the proposed ordinance.





Item 6 - File 161-92-7

**Department:** San Francisco Redevelopment Agency (SFRA)

**Item:** Resolution amending Resolution No. 177-90, designating and describing the South of Market Survey Area by adding additional land.

**Description:** In response to the Loma Prieta earthquake, on March 12, 1990 the Board of Supervisors designated a portion of the South of Market area, that had sustained earthquake-related damage, as a Redevelopment Survey Area that was subsequently called the South of Market Earthquake Recovery Redevelopment Project Area. As the name suggests, the SFRA is limited to redeveloping earthquake-damaged properties in the South of Market Earthquake Recovery Redevelopment Project Area. The proposed resolution would amend the South of Market Earthquake Recovery Redevelopment Project Area to expand the boundaries of the South of Market Earthquake Recovery Redevelopment Project Area to include properties that were not directly damaged by the earthquake.

Although not the subject of the proposed resolution, the SFRA is ultimately proposing to amend the South of Market Earthquake Recovery Redevelopment Project Area Plan to convert it to a more conventional Redevelopment Plan and to expand the SFRA's revitalization efforts beyond properties that were directly damaged by the Loma Prieta earthquake. The SFRA has not yet developed a Redevelopment Project Area Plan for the proposed amended survey area because the Board of Supervisors must first approve the amended survey area before a plan can be developed.

As outlined on the attached map, the proposed expansion of the South of Market Earthquake Recovery Redevelopment Project Area would include the area between Seventh, Harrison, Folsom and Columbia Square Streets and the area between Clementina, Fifth, Harrison and parcels just south of Fourth Streets.

According to Mr. Erwin Tanjuaquio of the SFRA, if the proposed resolution and the subsequent revised South of Market Earthquake Recovery Redevelopment Project Area Plan are approved, the SFRA intends to pursue construction of affordable housing in the proposed expanded project area. As the attached map illustrates, there are several potential sites to construct affordable housing. In addition, the SFRA would pursue economic development activities such as

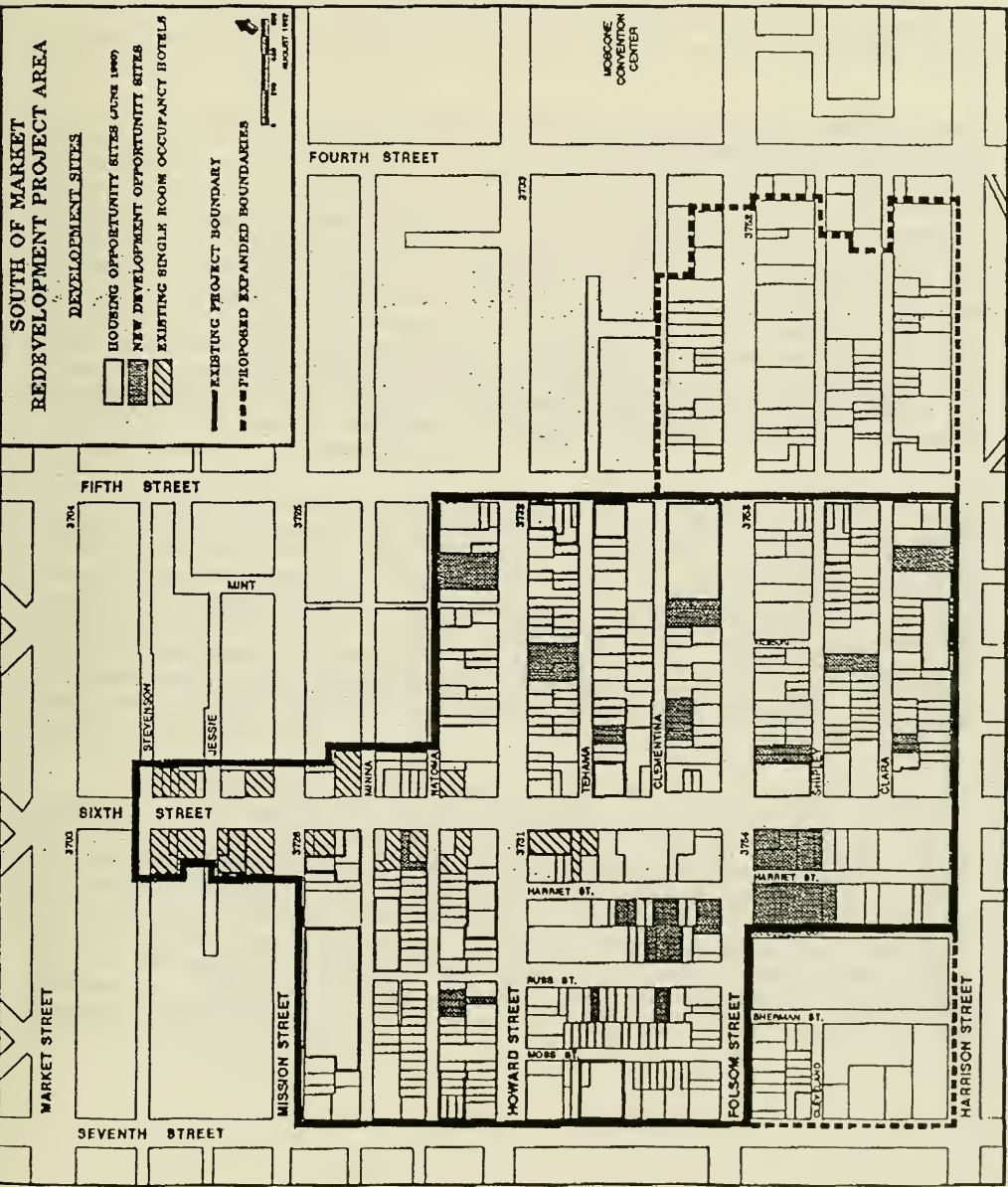
providing small business loans and grants to business owners located in the proposed expanded project area.

**Comment:**

Mr. Bob Gamble of the Redevelopment Agency advises that the proposed South of Market Earthquake Recovery Redevelopment Project Area expansion would, if approved by the Mayor and the Board of Supervisors, eventually allow the SFRA to issue additional tax increment bonds and claim additional tax increment revenues from the South of Market Earthquake Recovery Redevelopment Project Area. However, the proposed resolution would only amend the survey area and, as previously noted, not approve a revised Redevelopment Project Area Plan. A South of Market Earthquake Recovery Redevelopment Project Area Plan would outline the specific projects which the SFRA would undertake, and would contain the estimated costs of such projects and the expected sources of revenues. As such, the fiscal impact of expanding the South of Market Earthquake Recovery Redevelopment Project Area would not be known until a revised South of Market Earthquake Recovery Redevelopment Project Area Plan has been completed and submitted to the Board of Supervisors.

However, if the proposed resolution and subsequent Redevelopment Project Plan are approved, the proposed expansion would most likely result in a fiscal impact to the City of greater than \$10,000 annually because the SFRA would have a greater amount of potential tax increment revenues to claim to repay potential tax increment bonds. To have a fiscal impact of greater than \$10,000 the SFRA would have to issue tax increment bonds of \$163,000 based on tax increment revenues from the proposed expanded areas. In FY 1992-93, the Agency will issue approximately \$3.7 million in tax increment bonds for the South of Market Earthquake Recovery Redevelopment Project Area. Thus, it is likely that if the proposed resolution and subsequent Redevelopment Project Plan are approved, the proposed expansion would result in a fiscal impact to the City of greater than \$10,000 annually.

**Recommendation:** The proposed resolution is a policy matter for the Board of Supervisors.





Item 7 - File 257-92-2

1. This item is a hearing to consider a comprehensive policy for clean up of contaminated sites of former gas stations in San Francisco and establishment of proper neighborhood notification procedures, setting emissions standards, noise levels and site enclosure policies.

2. The public expressed concerns to the Board of Supervisors that the method being used by the Shell Oil Company to remove toxic substances from the soil at 2198 Fell Street, at Stanyan Street, that was previously occupied by a gas station would emit toxic substances into the air. In response to these concerns, the Board of Supervisors adopted a resolution (File 257-92-1) that urges the Mayor to request the Director of Public Health to appoint a committee, that would include members from the local community, to select an independent consultant, to perform further soil testing for toxic contaminants at the former gas station site. The resolution provides that the Shell Oil Company would cease all soil clean-up efforts pending completion of the additional testing and reassessment of the test results by the Bay Area Air Quality Management District (BAAQMD) and the State Regional Water Quality Control Board (RWQCB), the governmental agencies responsible for overseeing toxic clean-up activities. The Shell Oil Company would be responsible for the costs of the additional testing.

3. The Hazardous Materials Division of the Department of Public Health recently began implementation of the DPH Local Oversight Program (LOP) which would assume monitoring responsibilities for ensuring that the proper mitigation measures are taken for the clean-up of leaks of toxic substances from underground tanks. These responsibilities were previously handled by the RWQCB. Two field staff positions which are allocated to the DPH Local Oversight Program are partially reimbursed by State funds for the time that the two positions spend in field work and for some administrative time associated with clean-up and mitigation activities. The balance of the cost for administrative time not reimbursed by the State is borne by the City.

4. Currently, when a leak occurs in an underground storage tank, the responsible party (person or company that owns or uses the tank that is leaking) files a report of the leak with the DPH Underground Tank Program (the Local Oversight Program is a unit within the Underground Tank Program). The Underground Tank Program reports the leak to the State Water Resources Control Board (the parent agency of the RWQCB) and submits a copy of the report form to the Clerk of the Board of Supervisors. The public is not directly notified other than through the report copy submitted to the Board of Supervisors that becomes public information. The LOP assesses the leak reports and determines which leaks require corrective action and requires submission of a Corrective Action Plan to the LOP by the responsible party.



5. The LOP has drafted a Public Participation Plan that provides for involvement of the public in the planning process of clean-up and mitigation activities at contaminated soil and/or ground water sites. The LOP plans to submit legislation to amend the San Francisco Hazardous Materials Ordinance in order to add the proposed Public Participation Plan, in the future.

6. According to the Public Participation Plan, the DPH Local Oversight Program would perform the following additional procedures to allow for public involvement in the planning processes concerning clean-up and mitigation of leaks that require a Corrective Action Plan:

- A. Prepare a public notice form that includes the name of the leak site property owner, the site address, type of clean-up and mitigation measures to be conducted, DPH contact and a statement advising that a public hearing may be conducted if there is sufficient public concern expressed to DPH.
- B. Copies of the above notice shall be 1) sent to all legal property owners within 300 feet of the site, 2) posted at the site boundaries and 3) submitted to a newspaper of general distribution within the area where the contaminated site is located.
- C. The public will be allowed 15 days to present comments and concerns to DPH after which, based on the comments and concerns expressed, DPH may determine that a public hearing is warranted and shall hold a public hearing.
- D. The responsible party shall assume the administrative costs for the public notification and public hearing (if held).

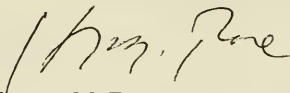
7. The Bay Area Air Quality Management District regulates emissions standards and noise levels are subject to Article 29 of the San Francisco Police Code.

### Comments

1. The DPH Local Oversight Program currently has an active caseload of approximately 100 cases involving leaking underground storage tanks. The LOP indicates that although the State Regional Water Quality Control Board is transferring approximately 500 cases to the LOP, the two field staff positions in the LOP unit can actively handle only the 100 cases that are the most complicated. According to the LOP, most of the other 400 cases are ongoing cases in which the clean-up actions have already begun.



2. The additional administrative duties of the LOP field staff that would result from implementation of the Public Participation Plan would not be reimbursed by the State because they would not be associated with the normal field work performed by the LOP field staff. Therefore, the proposed Public Participation Plan includes a provision that these new administrative costs would be charged to the responsible party (for the leak).



Harvey M. Rose

cc: Supervisor Kennedy  
Supervisor Achtenberg  
Supervisor Conroy  
President Shelley  
Supervisor Alioto  
Supervisor Britt  
Supervisor Gonzalez  
Supervisor Hallinan  
Supervisor Hsieh  
Supervisor Maher  
Supervisor Migden  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Jean Mariani  
Barbara Kolesar  
Ted Lakey



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CALENDAR

REGULAR MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, NOVEMBER 10, 1992 - 2:00 P.M.

Room 228, CITY HALL

PRESENT: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

1. File 107-89-15. Hearing to consider procedures and regulations concerning foster children, including placement of these children outside of San Francisco and the ramifications of Senate Bill 1177 regarding adoption of children. (Supervisor Kennedy)  
(Continued from 6/23/92)

ACTION:

2. File 97-92-47. Hearing to consider amending the Administrative Code Section 10.213, E.4. (a) thru (d) to require all City contracts with companies who do not sign the declaration compliance with the South Africa divestiture ordinance be reviewed and approved by the Board of Supervisors. (Supervisor Kennedy) (Continued from 10/27/92)

\*(The Chair intends to continue this item)

ACTION:

3. File 164-92-3. [Street Vacation] Resolution declaring intention of Board of Supervisors to vacate subsurface and airspace areas of Fourth Street southeasterly of Howard Street; and setting the hearing for all persons interested in the proposed vacation.  
(Real Estate Department) (Companion measure to 164-92-3.1)

ACTION:

4. File 164-92-3.1. [Street Vacation] Ordinance ordering vacation of subsurface and airspace areas of Fourth Street southeasterly of Howard Street, and adopting findings pursuant to City Planning Code Section 101.1. (Real Estate Department)  
(companion measure to File 164-92-3)

ACTION:

5. File 164-92-4. [Street Vacation] Resolution declaring intention of Board of Supervisors to vacate a portion of Main Street between Bryant Street and The Embarcadero; and setting the hearing date for all persons interested in the proposed vacation.  
(Real Estate Department) (Companion measure to File 164-92-4.1)

ACTION:

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6. File 164-92-4.1. [Street Vacation] Ordinance ordering vacation of a portion of Main Street at the Embarcadero; and adopting findings pursuant to City Planning Code Section 101.1. (Real Estate Department) (Companion measure to File 164-92-4)

ACTION:

7. File 171-92-6. [Freeway Interchange] Resolution urging the San Francisco County Transportation Authority to remove the proposed Interstate 280 Interchange at Islais Creek Project from the State Transportation Improvement Program, and reprogram the funds for other priority projects, with first consideration for other roadway projects. (Department of Public Works)

ACTION:

ECONOMIC AND SOCIAL POLICY COMMITTEE  
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ROOM 235, CITY HALL  
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CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

November 6, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** November 10, 1992 Economic and Social Policy Committee Meeting

DOCUMENTS SECT.

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Item 1 - File 107-89-15

**Note:** This item was continued by the Economic and Social Policy Committee at its meeting of June 23, 1992.

This item is a hearing to consider the procedures and regulations concerning foster children, including the placement of foster children outside of San Francisco County, and to consider the effects of Senate Bill No. 1177 on the adoption of children.

The Department of Social Services (DSS) reports that it is DSS's policy to place children in homes as close to their own families as possible. As such, the Department gives preference to placements with a relative or in the City. As a result of this policy, DSS advises that about three-fourths (73.5) of all children in-out-of-home placement are placed with a relative or in a placement in San Francisco. However, DSS advises that there will always be children placed out of the City due to a wide range of factors as follows:

- (1) The child is placed with relatives who reside out-of-county or the child is placed near relatives out-of-county to facilitate visitation with relatives.
- (2) The child is part of a sibling group and no San Francisco home is available which meets the needs of the group.
- (3) The parent or guardian requests an out-of-county placement and this request is considered by the worker and the court to be in the child's best interest.

- (4) The child is placed with foster parents or relatives who move out-of-county and the child moves with the family.
- (5) A pre-adoptive placement is made through a private Adoption Agency (i.e., Black Adoption Placement and Research Center) and the home is located outside San Francisco.
- (6) The child is made a dependent in another county and placed by the county. Though the parent relocates to San Francisco, thereby initiating an inter-county transfer, the child remains in the original placement to avoid disruption.
- (7) A child needs a specialized program and no appropriate program based within the City has a vacancy at the time.
- (8) Social workers and multi-disciplinary teams may request out-of-county placement for adolescents who are involved with gangs or other high risk activities. When an out-of-county placement for these teens is recommended, first consideration is given to placing the youth in a community and placement where there is a racial and ethnic match.
- (9) Some youth repeatedly run away from placement in the City and return home to high risk situations. An out-of-county placement is sometimes recommended in these instances to stabilize the child in out-of-home placement.
- (10) Lack of immediately available emergency shelter beds within the county may result in an out-of-county shelter placement. The Department continues to recruit of San Francisco emergency shelter placements.
- (11) Medically fragile and HIV positive children require the care of highly qualified providers. If DSS cannot locate a qualified provider in the City, the child has to be placed out of county. The Department is working diligently to increase the pool of San Francisco providers to meet the needs of these children.
- (12) Severely developmentally disabled children must be placed in State licensed Regional Center homes. Currently only two such homes are available within San Francisco. If there is no placement available in one of these homes, the child will be placed in the closest available home outside the City.
- (13) The number of families that could potentially provide foster care in San Francisco is limited due to the high cost of housing in the City which makes it difficult for families to afford the type of housing required to provide foster care. The type of housing required is regulated by State licensing rules which stipulate that certain housing requirements be



met. These requirements include but are not limited to restrictions on bedroom size, number of children who can sleep in a bedroom, number of exits, fire/security bars, and which floor that the children can sleep on.

Senate Bill 1177, which was originally authored by Senator Royce, established conditions under which foster parents must be given consideration, along with other potential adoptive families, to become the adoptive parents of a foster child. The bill was drafted in response to a specific case involving a foster family that cared for a child with Down's Syndrome for 1 1/2 years. Children's Home Society (CHS), the agency in charge of the adoption proceedings, did not consider that foster family when it sought a permanent placement for the child. As a result, the foster family sued CHS.

DSS reports that a "corrected" version of SB 1177 was drafted to be known as Senate Bill 2188 (SB 1177 was withdrawn by the author in favor of the new, "corrected" version, SB 2188). The new SB 2188 specified that it does not pertain to dependent children of juvenile court cases, and since DSS handles only such dependent children of juvenile court cases, SB 2188 (which replaces SB 1177) did not apply to DSS. DSS reports that Senator Royce's staff advised DSS that Senator Royce believes current laws governing public adoption agency activities already sufficiently address the issue of foster parent adoption. SB 2188 was signed into law in 1990.

### Comments

1. The total number of children that were in out-of-home placements within San Francisco and outside of San Francisco, as of December, 1991, according to ethnic breakdown, as provided by DSS, is as follows:

#### Placements Within San Francisco County

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group</u>		<u>Legal</u>		<u>Total</u>
		<u>Homes</u>	<u>Guardian</u>	<u>Relative</u>	<u>Relative</u>	
White	69	29	15	2	35	150
Hispanic	46	35	19	25	73	198
Black	300	157	112	100	767	1,436
Asian	25	17	12	1	18	73
Indian	6	1	1	0	1	9
Filipino	<u>4</u>	<u>5</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>17</u>
Total	450	244	162	130	897	1,883

Placements Outside San Francisco County

<u>Ethnicity</u>	<u>Foster Homes</u>	<u>Group Homes</u>	<u>Legal Guardian</u>	<u>Legal Guardian Relative</u>	<u>Relative</u>	<u>Total</u>
White	102	29	3	6	81	221
Hispanic	77	24	7	4	46	158
Black	412	162	23	26	359	982
Asian	18	8	0	1	11	38
Indian	18	1	1	0	11	31
Filipino	<u>7</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>11</u>
Total	634	225	34	38	510	1,441

2. The DSS also reports that it has made, and is continuing to make certain efforts to recruit more African American foster and adoptive families in San Francisco as follows:

- (a) DSS budgeted \$60,000 in its 1990-91 budget to be used by the Assistant Director for recruitment purposes. Of the \$60,000, \$35,000 was used for contract services to aid in the recruitment of African American foster and adoptive families. Of the remaining \$25,000, approximately \$10,000 was used to fund a Black Adoption Fair, held on May 4, 1991 and approximately \$15,000 was used for the development of recruitment materials targeted towards cultural and ethnic groups. DSS reports that the Fair, which was held at the Recreation Center for the Handicapped in San Francisco, was attended by staff from 15 counties and approximately 300 families. A total of 63 African American children from San Francisco who were available for adoption were in attendance. Of the 300 families in attendance at the Fair, 58 families indicated an interest in pursuing adoption of a San Francisco child.
- (b) A summary of the 1991-92 and 1992-93 budgets for foster care recruitment are as follows:

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	1991-92 <u>Budget</u>	1992-93 <u>Budget</u>
Contracts		
Marketing Consultant, video, brochures	\$50,000	\$21,000
Adoption home studies	1,000	1,000
Foster Parent training	8,972	14,322
Adoption Fairs	5,750	6,500
Photographs of Foster children	8,000	8,000
Advertising, display equipment/supplies	2,110	3,500
Other Equipment/computers/supplies	11,530	300
Home modifications, for licensing	16,500	16,500
Finders fees	1,000	7,000
Respite Care Services	<u>0</u>	<u>25,000</u>
Total	\$104,862	\$103,122

- (c) DSS continues to use the services of private placement agencies such as the Black Adoption Placement and Research Center. In addition, DSS has identified organizations such as churches, ministerial alliances, and Black employee groups which have access to potential African American foster and adoptive families.
- (d) DSS's recruitment staff participate in public events, the Annual Adoption Fair, street fairs, and community outreach activities at shopping malls and other public gatherings.

3. The DSS reports that as of April, 1992, 75.5 percent or 1,868 of the 2,474 African American children in out-of-home placement, were either placed with relatives or in the City. Additionally, the DSS advises that almost all African American children in out-of-home-placement were placed in African American homes. As of April, 1992, 95 percent of African American children in out-of-home placement in San Francisco were in African American home and 85 percent of those placed out-of-county were in African American homes.

4. According to the DSS, in the past year, the City has aggressively recruited foster homes in San Francisco. As a result, DSS reports that the number of foster homes increased from 249 to 285, or 14 percent. Almost sixty percent of these foster homes are African American.

5. Foster care rates are set by the State. DSS advises that, based on a U.S. Supreme Court ruling, relatives are paid the same rate, to provide foster care, as are foster parents who are not relatives, providing that the child is eligible for Federal foster care funding. However under State law, relatives who provide foster care to children, who are eligible for County and/or State foster care funding only, cannot receive foster care funding for their services. However, these relatives may be eligible for Aid to Families with Dependent Children (AFDC). DSS had joined in a lawsuit to over turn the State law prohibiting relatives who provide foster care to children from receiving County and/or State foster care funding. The DSS reports however, that a recent Federal Appeals

**BOARD OF SUPERVISORS**  
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Court decision upheld the right of the State to pay relatives less. The current foster care rates for long term placement are outlined below:

<u>Age of Foster Care Children</u>	<u>Monthly Base Rate</u>	<u>Monthly Rates At</u>		
		<u>Level I*</u>	<u>Level II*</u>	<u>Level III*</u>
0-4	\$345	\$694	\$835	\$977
5-8	375	494	588	683
9-11	400	529	624	717
12-14	444	588	683	776
15-18	484	641	741	834

\*The level of payment above the base rate is determined by the specific foster child's special needs, as related to emotional, social, developmental or medical problems.

Item 2 - File 97-92-47

**Note:** This item was continued at the Economic and Social Policy Committee meeting of October 27, 1992

**Item:** Hearing to consider amending Administrative Code Section 10.213.E.4. (a) through (d) to require that all City contracts with companies that do not sign the declaration of compliance with the South Africa divestiture ordinance be reviewed and approved by the Board of Supervisors.

**Description:** Section 10.213 of the Administrative Code, "Contractual Services, Real and Personal Property Agreements," defines prohibited transactions, specifies contract conditions and declarations required, and provides conditions under which the foregoing will not be applicable, with respect to business relationships with the government of South Africa or with other entities doing business in South Africa.

Section 10.213 A., "Prohibited Transactions," is concerned with business relations with South Africa and defines "prohibited transactions" as those transactions that involve either a prohibited ownership interest, as defined in Section 10.211(k) of the Administrative Code, or involve providing goods or services to (1) the government of South Africa; (2) any business or entity organized under the laws of South Africa; or (3) any business entity for the express purpose of assisting that business' operations in, or that business' trading with, any public or private entity located in South Africa. Section 10.213 A. provides that the City will not enter into an agreement for contractual services or any lease, permit, license or other agreement for the use or sale of the City's real or personal property with entities engaged in such prohibited transactions, subject to the exceptions provided in Section 10.213.E.

Section 10.213.B., "Contract Condition," requires that each contract for services, or for the use or sale of the City's real or personal property, include as a material condition to that agreement that the contractor does not have a prohibited ownership interest and that the contractor is not the government of South Africa, an entity organized under the laws of South Africa, or an entity doing business in South Africa.

Section 10.213.D. "Declaration Required," provides that contracting officers, prior to entering into a lease, permit, or other agreement for the use or sale of the City's real or personal property, or prior to contracting with any business



entity for the provision of contractual services not subject to competitive and sealed bid, obtain a declaration under penalty of perjury, on a form prescribed by the Purchaser, certifying that the business entity does not have any relationship of the type listed in Section 10.213.A., cited above. For contracts subject to competitive and sealed bids, except as prohibited by State or federal law or regulation, all contracting entities of the City shall require the declaration as a material part of any bid. Subject to the provisions of Section 10.213.E., described below, failure to include the declaration in any bid shall make such bid a non responsive bid.

Section 10.213.E., "Nonapplicability; Findings: Alternate Selection," provides that the foregoing provisions shall not apply to contracts entered into prior to March 9, 1986, or to contracts for an aggregate value of \$5,000 or less, or under certain other conditions, such as leases, permits, or other agreements of nominal value. Section 10.213.E. also specifies that the foregoing provisions shall not apply when the contracting officer finds that (1) no other entity is capable of performing the desired function; (2) the City would incur a financial loss which, in the opinion of the contracting officer would violate his or her fiduciary duties; (3) the inclusion of the provisions would violate or be inconsistent with the terms or conditions with a grant, subvention or contract with an agency of the State of California or the United States; or (4) the inclusion or application of such provisions would violate or be inconsistent with the laws of the State or Federal government.

This hearing is to consider requiring that the Board of Supervisors approve all contracts granted an exception by the contracting officer under conditions (1) through (4) in the preceding paragraph.

**Comments:**

1. As previously stated, this hearing concerns amending the Administrative Code to provide that the Board of Supervisors approve all contractual agreements for services and for use or sale of the City's real or personal property with any business entity having a prohibited relationship involving South Africa. Sections 10.212 and 10.214 of the Administrative Code, "Deposit and Investment of City Funds," and "Purchase of Commodities," respectively, which also control the City's contractual relations with entities involved with South Africa, are not currently included in the subject matter of the hearing.



2. The Budget Analyst has been informed by the hearing sponsor that the hearing request will be amended to include the applicable provisions of Sections 10.212 and 10.214. Therefore, the hearing would be expanded to include changes to the Administrative Code that would require the Board of Supervisors to approve contractual agreements to which the City is party concerning the purchase of commodities and the deposit and investment of City funds, in addition to contractual agreements for services and the use or sale of the City's real or personal property.

3. Staff responsibility for administering the various provisions of the Administrative Code controlling contracting relations with entities involved with South Africa, other than for construction and real property contracts, resides with the Purchaser of Supplies. The Purchaser of Supplies, working in conjunction with the Information Systems Division (ISD) of the Controller's Office, has provided the Budget Analyst with a Financial Accounting and Management Information System (FAMIS) report that lists a total of 385 services contracts entered into between July 1, 1992, and November 3, 1992, that would be subject to the amended provisions of Administrative Code Section 10.213.E.4. At the same rate of contracting, 907 such contracts would be reported on an annual basis.

4. Mr. Marc Rosaaen of the Purchasing Department reports that there are some categories of service contracts that are included in the total of 385 contracts, such as contracts for printing, that the Board of Supervisors might desire not to approve on an individual basis. Such a policy decision would reduce the number of contracts subject to review. However, Mr. Rosaaen also states that since Purchasing does not review construction contracts and since they are not included in the previously discussed FAMIS report, the total workload required to review such contracts by the Board of Supervisor would add to the total workload.

5. Mr. Rosaaen reports that the workload impact on the Purchasing Department should legislation be ultimately enacted requiring the Board of Supervisors to approve contracts with companies that do not sign the declaration of compliance with the South Africa divestiture ordinance, would range from very little involvement to that of attending committee meetings of the Board of Supervisors and providing additional information, as requested.

6. The Budget Analyst has been informed that the Chair of the Economic and Social Policy Committee intends to request that the subject item be continued at the Economic and Social Committee meeting of November 10, 1992.

Items 3 and 4 - Files 164-92-3 and 164-92-3.1

**Departments:** Real Estate Department  
Redevelopment Agency

**Items:** Resolution declaring the intention of the Board of Supervisors to vacate subsurface and airspace areas of Fourth Street southeasterly of Howard Street, and setting the hearing for all persons interested in the proposed vacation (File 164-92-3).

Ordinance ordering the vacation of subsurface and airspace areas of Fourth Street southeasterly of Howard Street, and adopting findings pursuant to City Planning Code Section 101.1 (File 164-92-3.1).

**Description:** The Redevelopment Agency has requested the vacation of a portion of subsurface and airspace areas of Fourth Street southeasterly of Howard Street (see attached map). The proposed vacation is needed in order to legalize the use of the existing truck exit ramps from Moscone Center. Mr. Don Matoza of the Redevelopment Agency reports that the original easement (vacated space), acquired at the time the truck exit ramps were constructed, does not contain sufficient subsurface and airspace to be within legal requirements for the current use of the truck exit ramps.

**Comments:** 1. File 164-92-3 would schedule a hearing regarding the proposed vacation before the entire Board of Supervisors. Therefore, if the Economic and Social Policy Committee wishes to approve the proposed resolution, the proposed resolution should be amended to set the date, hour and place of the hearing.

2. If the finding by the Board of Supervisors at a public hearing is in favor of vacating the subsurface and airspace areas of Fourth Street southeasterly of Howard Street, the proposed ordinance (File 164-92-3.1), which authorizes the vacation of that portion of Fourth Street, would then be considered by the Board of Supervisors.

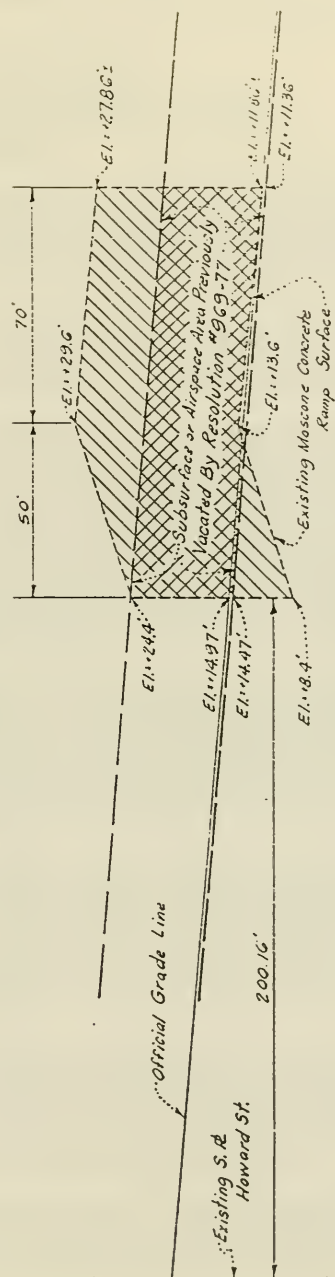
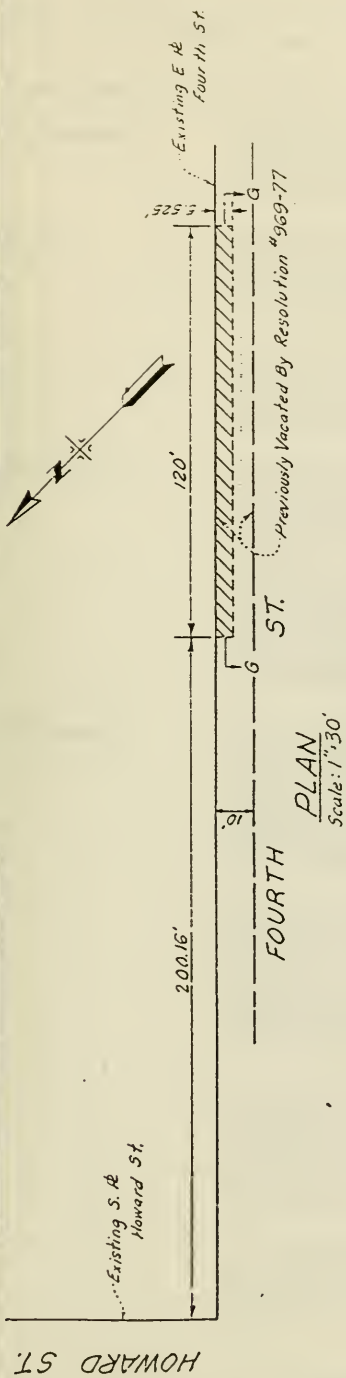
3. The Department of City Planning reports that the proposed vacation is in conformity with the City's Master Plan and with the eight Priority Policies of City Planning Code Section 101.1.

4. Mr. Robert Haslam of the Real Estate Department reports that the proposed vacation of subsurface and airspace areas of Fourth Street would have no fiscal impact on the City.

Memo to Economic and Social Policy Committee  
November 10, 1992 Economic and Social Policy Committee Meeting

**Recommendations:** Amend the proposed resolution to set the date, hour and place of the public hearing (File 164-92-3).

Refer the proposed ordinance to the Board of Supervisors without recommendation (File 164-92-3.1).



**NOTES**  
All elevations shown are based on City Datum.  
Subsurface or airspace area proposed to be vacated

REFERENCES		TABLE OF CHANGES		CAUTION: CHECK WITH TRACING TO SEE IF YOU HAVE LATEST REVISION		BY		DATE		APPROVED		DATE		APPROVED		SCALE: AS SHOWN		FILE		CHANGE	
NO.	DATE	DESCRIPTION	BY	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED	DATE	APPROVED

**CITY AND COUNTY OF SAN FRANCISCO**  
**DEPARTMENT OF PUBLIC WORKS - BUREAU OF ENGINEERING**  
**PROPOSED VACATION OF SUBSURFACE AND AIRSPACE AREAS ON FOURTH ST. SOUTHEASTERLY OF HOWARD ST.**

APPROVED: [Signature] DATE: 3/16/77  
APPROVED: [Signature] DATE: 3/16/77

FILE: SUR 491





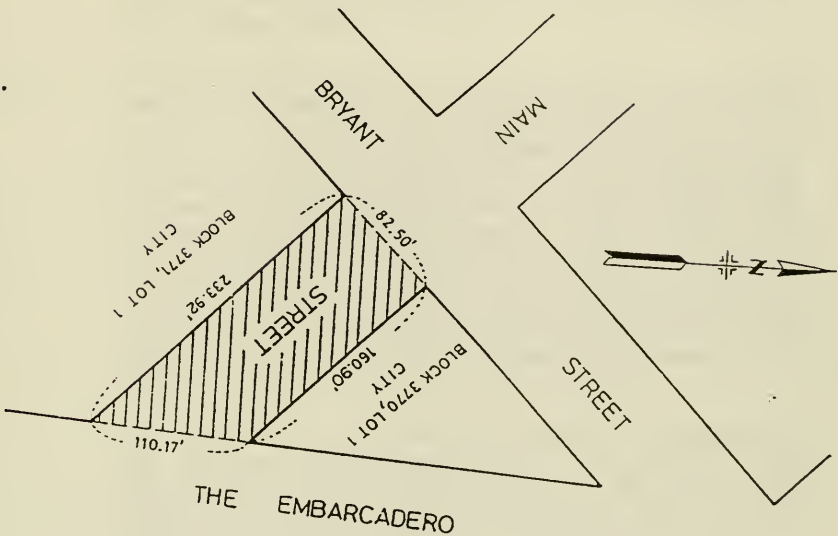
Items 5 and 6 - Files 164-92-4 and 164-92-4.1

- Departments:** Real Estate Department  
Department of Public Works (DPW)  
Port Commission
- Items:** Resolution declaring the intention of the Board of Supervisors to vacate a portion of Main Street between Bryant Street and the Embarcadero, and setting the hearing date for all persons interested in the proposed vacation (File 164-92-4).
- Ordinance ordering the vacation of a portion of Main Street at the Embarcadero, and adopting findings pursuant to City Planning Code Section 101.1 (File 164-92-4.1).
- Description:** The Department of Public Works, Bureau of Engineering has requested the vacation of a portion of Main Street between Bryant Street and the Embarcadero (see attached map). The proposed street vacation is needed in order for DPW to proceed with the implementation of the waterfront transportation projects and the realignment of Bryant Street. The waterfront transportation projects include roadway work on the Embarcadero, installation of a light rail system and beautification projects.
- Comments:**
1. The portion of Main Street to be vacated is presently under the jurisdiction of the DPW. The Port Commission would assume jurisdiction over this property once it is vacated. The Director of Public Works has determined that the subject property is no longer needed for present or prospective public street purposes.
  2. File 164-92-4 would schedule a hearing regarding the proposed vacation before the entire Board of Supervisors. Therefore, if the Economic and Social Policy Committee wishes to approve the proposed resolution, the proposed resolution should be amended to set the date, hour and place of the hearing.
  3. If the finding by the Board of Supervisors at a public hearing is in favor of vacating the portion of Main Street, the proposed ordinance (File 164-92-4.1), which authorizes the vacation of that portion of Main Street, would then be considered by the Board of Supervisors.
  4. The Department of City Planning reports that the proposed vacation is in conformity with the City's Master Plan and with the Eight Priority Policies of City Planning Code Section 101.1.

5. Mr. Steve Legnitto of the Real Estate Department reports that the proposed vacation of a portion of Main Street would have no fiscal impact on the City.

**Recommendations:** Amend the proposed resolution to set the date, hour and place of the public hearing (File 164-92-4).

Refer the proposed ordinance to the Board of Supervisors without recommendation (File 164-92-4.1).

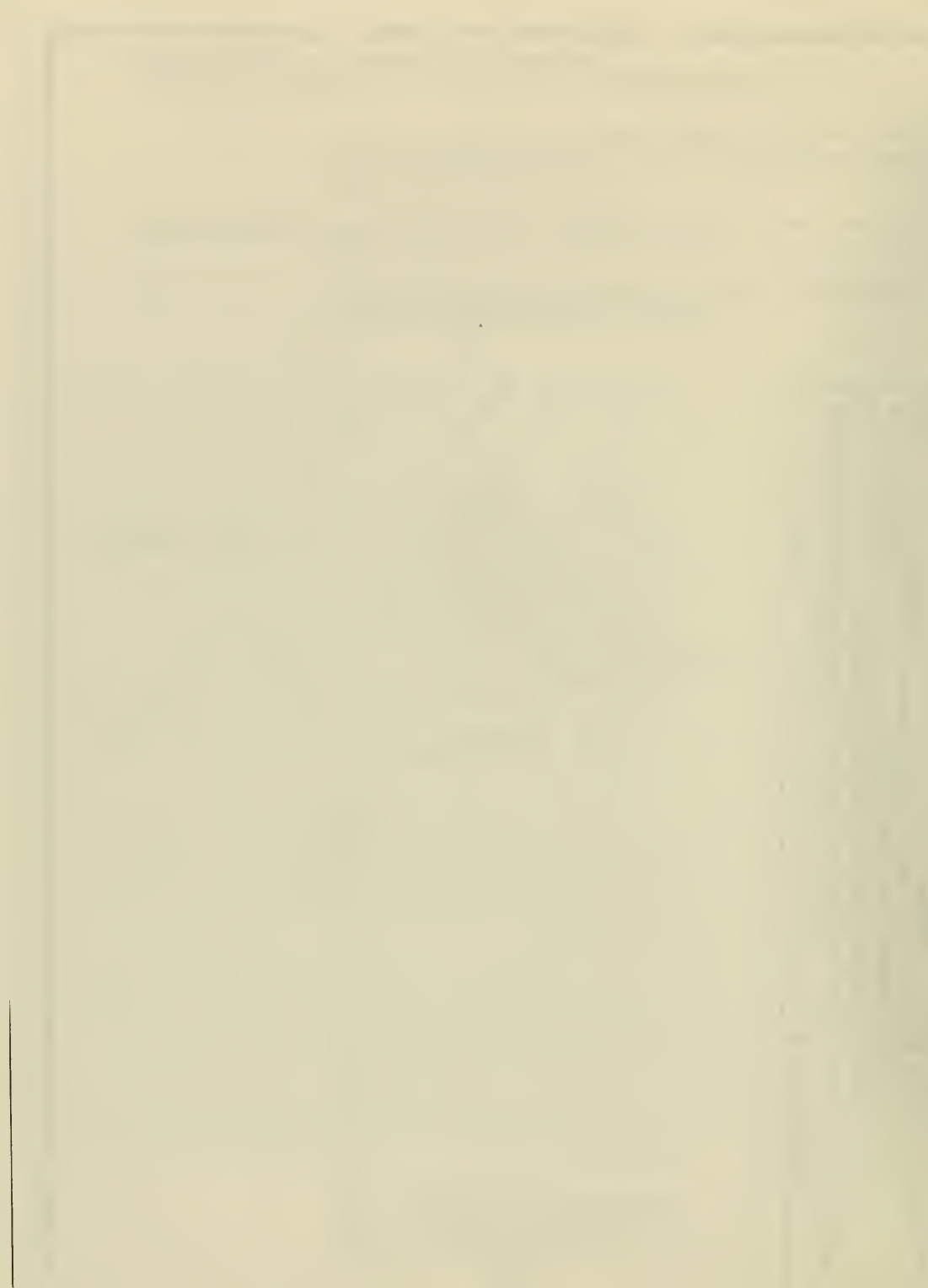


**LEGEND:**



Street Area Proposed to be Vacated.

BY		DATE		<b>CITY AND COUNTY OF SAN FRANCISCO</b> <b>DEPARTMENT OF PUBLIC WORKS - BUREAU OF ENGINEERING</b> <b>PROPOSED VACATION OF MAIN STREET BETWEEN BRYANT STREET AND THE EMBARCADERO</b>					
DR.		NPJr.						82290	
TR.									
CK.		TTC						82390	
APP.									
DATE		APPROVED		CITY ENGINEER					
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Item 7 - File 171-92-6

- Department:** San Francisco County Transportation Authority  
Department of Public Works (DPW)
- Item:** Resolution urging the San Francisco County Transportation Authority to remove the proposed Interstate 280 Interchange at Islais Creek Project from the State Transportation Improvement Program, and reprogram the funds for other priority projects, with first consideration for other roadway projects.
- Description:** The Department of Public Works has a current proposal to construct an interchange on Interstate 280 at Islais Creek (see attached map) which is to address the concern of excessive truck traffic on Third Street in the Bayview area. With the approval of Resolutions Nos. 378-79, 66-82 and 183-83, the Board of Supervisors has previously identified this proposed Interstate 280 Interchange at Islais Creek as the highest priority State highway improvement project, and with the approval of Resolution No. 11-85, the Board of Supervisors has previously urged the California Transportation Commission to fund the proposed project fully in the 1985-86 State Transportation Improvement Program.
- The California Transportation Commission programmed the proposed interchange project in the 1985-86 State Transportation Improvement Program. According to Mr. Nelson Wong of the Department of Public Works (DPW), Bureau of Engineering, the State Department of Transportation (Caltrans) has completed an agreement with the DPW to perform the preliminary planning of the interchange project estimated to cost \$510,000, of which Caltrans has agreed to pay 100 percent of the cost. In addition, Caltrans has agreed to pay for 100 percent of the design work which would be started at the completion of the preliminary planning phase.
- The agreement also stipulates that Caltrans would provide 84 percent of funding for the construction and right-of-way purchases, and the City would pay for the remaining 16 percent of these costs, because the proposed project would benefit the City, and not provide any additional benefit to the State. This cost sharing formula was based on the State providing improvements to the Bay Area's transportation facilities upon homeporting of the USS Missouri battleship in San Francisco's Hunters Point Shipyard. Mr. Wong estimates that construction on the project would be

approximately \$12.3 million, and right-of-way purchases would be approximately \$3 million, for a total of approximately \$15.3 million. Based on the 84 percent State and 16 percent City cost sharing for these estimates, Caltrans would pay approximately \$12,852,000 and the City would pay \$2,448,000.

In 1989, the Department of the Navy decided not to homeport the USS Missouri in San Francisco. Although the USS Missouri would not be homeported in San Francisco, the subject interchange project was retained in the 1990-91 State Transportation Improvement Program and Caltrans circulated the Environmental Assessment/Initial Study and the proposed Negative Declaration for review and published a Notice of Opportunity for Public Hearing.

**Comments:**

1. Mr. Wong advises that, as the result of a neighborhood public hearing, there has been local opposition from citizens in the Bayview Hunters Point area. Representatives of the New Bayview Committee and businesses in the area generally opposed the project and questioned the need for an additional interchange. The following concerns were raised:

- Truck traffic still may use the 3rd Street exit from Northbound 101 regardless of whether or not there was an additional interchange built on I-280;
- Other truck traffic may use the Army Street exit from I-280, which is located in close proximity to the proposed interchange in the Islais Creek area, so there may be no need for an additional interchange;
- The proposed interchange would force the dislocation of auto wrecking and/or junk yard businesses in the Islais Creek area. As noted above, \$3 million is estimated for the right-of-way purchases.

2. On April 28, 1992, the Board of Supervisors Economic and Social Policy Committee held a public meeting on the subject interchange and expressed concerns about pursuing a project which (a) had strong neighborhood opposition, (b) committed up to \$3 million in local funds in light of a budget shortfall, and (c) showed limited evidence that the proposed project served a real transportation need since the proposal to homeport the Missouri had been dropped.




3. On May 26, 1992, the Department of Parking and Traffic (DPT) advised DPW that the subject project would have only marginal transportation benefits primarily because the Navy no longer proposes to homeport the USS Missouri at the Hunters Point Shipyard. Mr. Bond Yee of the Department of Parking and Traffic (DPT) states that there is currently a regulation (Section 28.3 of the San Francisco Traffic Code) on 3rd Street which prohibits trucks which weigh in excess of 5.5 tons, and the DPT has recently upgraded and added additional signs in the 3rd Street area which indicate these weight requirements. According to Mr. Yee, the Police Department has also increased enforcement of this regulation along 3rd Street.

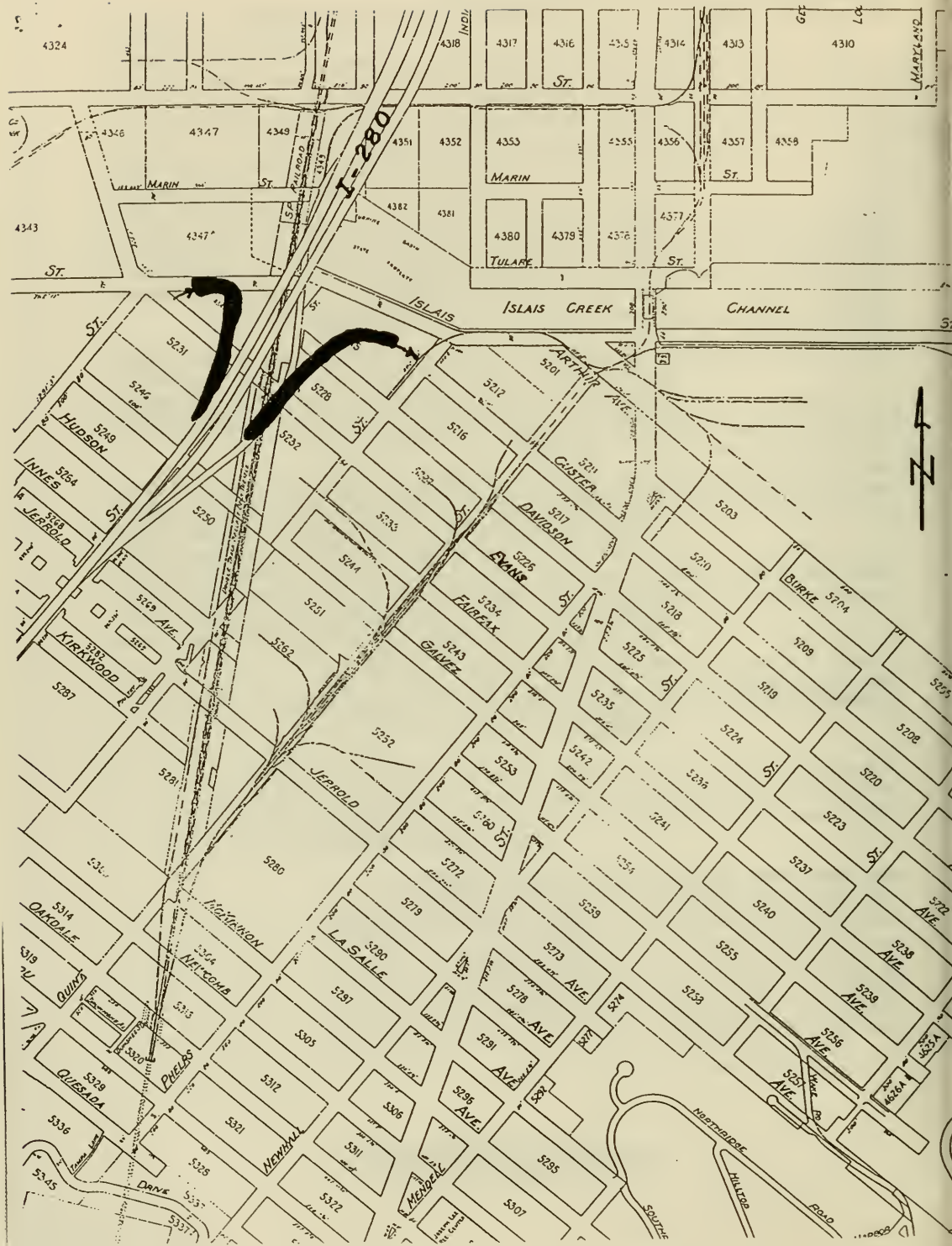
4. Mr. Wong advises that as of July 1992, the preliminary planning phase has been suspended. Of the \$510,000 in Caltrans funds budgeted for preliminary planning work, a total of \$371,868 in State funds has been expended up to the time of the suspension of work.

5. Ms. Brigid Hynes-Cherin of the San Francisco County Transportation Authority (CTA) agrees with the subject legislation to remove the Interstate 280 Interchange Project from the State Transportation Improvement Program and to reprogram these funds for other priority roadway projects. Ms. Hynes-Cherin also advises that other priority transportation projects, including roadway projects, will be considered over the next six months for review and approval by the CTA in June 1993.

**Recommendation:** The proposed resolution is a policy matter for the Board of Supervisors.

  
for Harvey M. Rose

cc: Supervisor Kennedy	Supervisor Migden
Supervisor Achtenberg	Clerk of the Board
Supervisor Conroy	Chief Administrative Officer
President Shelley	Controller
Supervisor Alioto	Jean Mariani
Supervisor Britt	Barbara Kolesar
Supervisor Gonzalez	Ted Lakey
Supervisor Hallinan	
Supervisor Hsieh	
Supervisor Maher	



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November 17, 1992

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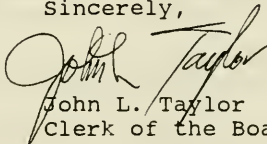
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NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Economic & Social Policy Committee for Tuesday, November 24, 1992, at 2:00 p.m., has been cancelled.

The next regular meeting of the Economic & Social Policy Committee will be held on Tuesday, December 8, 1992, at 2:00 p.m., in Room 228, City Hall.

Sincerely,

  
John L. Taylor  
Clerk of the Board

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REGULAR MEETING OF  
ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

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TUESDAY, DECEMBER 8, 1992 - 2:00 P.M.

Room 228, CITY HALL

MEMBERS: SUPERVISORS KENNEDY, ACHTENBERG, CONROY

CLERK: MARY L. RED

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Economic and Social Policy Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and consider as a separate item:

- (a) File 18-92-14. [Stop intersections] Recommending establishment of Stop intersections at various locations. (Department of Parking and Traffic)

Stop signs - establish

23rd and Wisconsin Streets, northeast corner, stopping 23rd Street traffic (makes this T-intersection an all-way Stop).

Lyon and Francisco Streets, northeast, southeast and southwest corners stopping westbound Francisco Street traffic, northbound Lyon Street traffic and eastbound Gorgas Avenue traffic (makes this a three-way Stop).

Industrial Street and Palou Avenue, northeast and southwest corners, stopping Industrial Street traffic (makes this an all-way Stop).

47th and Sutro Heights Avenues, northwest and southeast corners, stopping 47th Avenue traffic (makes this an all-way Stop).

Barneveld and Jerrold Avenues, Southeast corner, stopping Barneveld Avenue traffic (presently uncontrolled).

- (b) File 19-92-15. [Parking regulations] Recommending establishment of parking regulations at various locations.

Tow-Away, No Parking Anytime - Establish

Trinity Street, both sides, between Bush and Sutter Streets (replaces existing "No Parking Anytime" regulation).

Perpendicular (90-Degree Angle) Parking - Establish

De Haro Street, east side, from 15th Street to approximately 170 feet north of 15th Street.

De Haro Street, east side, between 15th and 16th Streets.



De Haro Street, west side, from Alameda Street to approximately 280 feet north of Alameda Street.

De Haro Street, west side from 15th Street to approximately 185 feet north of 15th Street.

De Haro Street, west side, between 15th and 16th Streets

Rhode Island Street, east side, between Southern Heights Avenue and 24th Street

- (c) File 20-92-14. [Traffic regulations] Recommending establishment and revocation of traffic regulations, various streets. (Department of Parking and Traffic)

No Left Turn – Establish

Lombard Street, westbound, at Van Ness Avenue.

Right Lane Must Turn Right – Establish

Innes Avenue, eastbound, at Donahue Street.

Left Lane Must Turn Left – Establish

Cargo Way, westbound, at 3rd Street.

Multiple Right Turn Lanes – Establish

Cargo Way, westbound, at 3rd Street.

Tow-Away, No Stopping Anytime – Rescind

Bosworth Street, north side, from 40 feet east of Lyell Street to 120 feet west of Lyell Street (160-foot zone).

Tow-Away, No Stopping Anytime – Establish

Saturn Street, north side from Roosevelt Street to 20 feet easterly (20-foot zone).

Saturn Street, north side, from west property line of #148 Saturn Street to 30 feet easterly (30-foot zone).

Saturn Street, south side, from 20 feet east of east property line of #147 Saturn Street to 35 feet easterly (35-foot zone).

- (d) File 20-92-15. [Traffic regulation] Recommending revocation of traffic regulation. (Department of Parking and Traffic)

Tow-Away No Stopping Anytime – Rescind

Main Street, west side, 52 feet northerly from Mission Street.

- (e) File 20-92-16. [Traffic regulation] Recommending establishment of traffic regulation. (Department of Parking and Traffic)

Street Closed to Vehicular Traffic, 11 a.m. to 3 p.m. and 6 p.m. to 10 p.m., Monday through Saturday – Establish

Belden Place, between Pine and Bush Streets.



- (f) File 40-92-11. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "N" in the North Inner Richmond area; and adding Funston Avenue, between Balboa Street and Fulton Street, both sides, to the list of streets upon which time limitations shall apply. (Department of Parking and Traffic)

ACTION:

### REGULAR CALENDAR

2. File 19-92-11.1. [Parking Regulations] Resolution enacting parking regulations on various streets. (Department of Parking and Traffic)

Tow-Away No Parking Anytime - Establish

Dead-end portion of cul-de-sac on Kearny Street, south of Chestnut Street, replacing existing red curb.

(Continued from 10/27/92)

ACTION:

3. File 85-92-1. [Service Authority for Freeways and Expressways] Resolution authorizing the Metropolitan Transportation Commission to act as a Service Authority for Freeways and Expressways (SAFE) in the City and County of San Francisco. (Supervisor Britt)

ACTION:

4. File 265-92-1. [Interactive Media Industry] Resolution declaring it to be the policy of the Board of Supervisors to foster the growth of the Interactive Media Industry in the San Francisco Bay Area and to take various actions in furtherance of the growth of this industry in the San Francisco Bay Area. (Supervisors Gonzalez, Alioto, Shelley, Migden) FISCAL IMPACT

ACTION:

5. File 171-92-5. [Federal System of Highway Mileage Markers] Resolution urging the Mayor to urge the California Transportation Commission to adopt the Federal System of Highway Mileage Markers and Exit Numbers. (Supervisor Kennedy)

ACTION:

6. File 90-92-1. [Landmark] Ordinance designating the Golden Gate Commandery of the Knight Templar (Macedonia Missionary Baptist Church) at 2135 Sutter Street as a landmark pursuant to Article 10 of the City Planning Code. (Department of City Planning)

ACTION:

7. File 97-92-62. Ordinance amending Chapter 16, Article I of the Administrative Code by amending Section 16.9-29, relating to the transfer of sick leave and vacation benefits to catastrophically ill employees, by eliminating the limitation on the maximum number of hours that can be transferred to an employee for any single catastrophic illness. (Supervisor Kennedy)

ACTION:

8. File 114-92-7. [Earthquake Safety Program] Ordinance amending the Building Code, by amending Section 104(b) to provide that where a building permit application is filed on or after January 1, 1992 to repair a City-owned building under the Bond-Funded Public Safe Improvement Projects, the building's existing electrical, plumbing, mechanical, fire protection or life-safety systems are not required to comply with this code if the system complies with the code in effect at the time of its construction or installation, the system is safe to continue to operate, and the system is not relocated, altered for reuse, or expanded; adopting findings. (Department of Public Works) FISCAL IMPACT

ACTION:

9. File 123-92-4. [Residential Users Appeals Board] Ordinance amending Public Works Code by amending Section 149.1 relating to rate paid to members of Residential Users Appeals Board. (Public Works Department)

ACTION:

10. File 124-92-10. [Vehicle Weight Limit] Ordinance amending Traffic Code, by adding Sections 28.1.91 and 28.1.92 thereto, relating to prohibiting operation of vehicles on excess of 6000 pounds upon portions of Mariposa and Vermont Streets. (Department of Parking and Traffic)

ACTION:

11. File 124-92-11. [Parking Regulations] Ordinance Amending Traffic Code, by adding Section 32.6.16 thereto, adding a portion of Elm Street, south side, between Van Ness Avenue and Polk Street, to the list of streets on which parking restrictions shall apply. (Department of Parking and Traffic)

ACTION:

12. File 206-92-1. Hearing to consider the Housing Authority's procedure for disbursement of funds to tenants' groups for resident-management training. (Supervisor Kennedy)  
(Continued from 4/28/92)

\*The chair intends to continued this item.

ACTION:

13. File 206-92-3. Hearing to consider the Housing and Urban Development's (HUD) report of the San Francisco Housing Authority. (Supervisor Kennedy)

ACTION:

14. File 258-92-1. Hearing to consider cost of implementation and enforcement of the American Disabilities Act. (Supervisor Kennedy)

ACTION:

15. File 176-92-3. Hearing to consider the termination of employees of the Cathedral Hill Hotel. (Supervisor Kennedy)

ACTION:



ECONOMIC & SOCIAL POLICY COMMITTEE  
BOARD OF SUPERVISORS  
ROOM 235, CITY HALL  
SAN FRANCISCO, CA. 94102

Public Hearing Notice

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8/92  
CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

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December 3, 1992

**TO:** Economic and Social Policy Committee  
**FROM:** Budget Analyst *Recommendations*  
**SUBJECT:** December 8, 1992 Economic and Social Policy Committee Meeting

Item 4 - File 265-92-1

**Item:** Resolution declaring it to be the policy of the Board of Supervisors to foster the growth of the Interactive Media Industry in the San Francisco Bay Area and to take various actions in furtherance of the growth of this industry in the San Francisco Bay Area.

**Description:** Interactive Media provides information/entertainment services through the use of computers. The proposed resolution states that the San Francisco Bay area is currently the defacto capital of the developing Interactive Media industry because of the concentration of computer, video, writing and arts skills available in the Bay Area. Additionally, according to the resolution, the strategic economic importance of this industry is significant to San Francisco. All inclusive worldwide revenue for this industry is expected to be between \$25 and \$31 billion by the year 1995, according to the resolution.

The International Interactive Communications Society (IICS) was founded in San Francisco over nine years ago. This organization is composed of representatives from the business community, the educational community, government, computer hardware/software companies, and groups representing multimedia developers, book publishers, filmmakers, printers, graphic designers, musicians, and artists. The objectives of this organization include (1) developing an understanding of Interactive Media through

educational institutions, (2) creating a Multimedia Showcase/Center where both public and private organizations can use Interactive Media, (3) integrating fiber optics (the transmission of light through transparent fibers for the transmission of data, communications, and images) into communication systems and (4) providing business assistance to the growing base of Interactive Media producers.

Local Interactive Media industry representatives, including the IICS, testified before the Finance Committee in hearings during March and April of 1992. The industry representatives advised the Finance Committee that the Interactive Media industry is a high growth industry and has a unique ability to create a large number of jobs.

According to the proposed resolution, the local individuals and companies that currently make up this industry are generally in their start-up phases and are therefore in need of resources to enhance their capabilities and allow them to reach their maximum potential. As such, the proposed resolution would provide that the Board of Supervisors undertake the following steps in support of this industry:

1. Work cooperatively with other public and private entities, public utilities, non-government organizations, State agencies and other city governments, in the San Francisco Bay Area.

2. Make it a City policy to encourage and assist the public and private educational institutions in San Francisco in establishing curricula and degree programs which will produce workers trained in the disciplines necessary to fuel this industry.

3. Consider zoning laws which would permit and encourage public utilities and private industry to build a lattice of high bandwidth telecommunications lines in sections of the City where high concentrations of interactive media developers and the supporting industries are expected ( i.e., the Financial District, South of Market, Mission Bay, Indian Basin and the Commercial Waterfront). According to the proposed resolution these telecommunications lines would provide a cost effective, state-of-the-art means for the Interactive Media industry to exchange video, audio, text, and graphic information, which is important to the high-performance functioning of the industry and related industries.



4. Have the City evaluate the use of Interactive Media by City employees for training purposes, as job aids and to provide information directly to citizens.
5. Evaluate the use of Interactive Media to provide public information to tourists, in the San Francisco Airport, BART and other locations where there are high concentrations of tourists.
6. Recommend that the City evaluate its participation in "electronic highways" (fiber optic network transmissions) initiatives.
7. Declare that the City will participate in and assist in the funding of a San Francisco Bay Area Interactive Media industry umbrella organization. Composition of this organization would include City representatives, computer hardware and software interests, Interactive Media publishing interests, professional society representatives, telecommunications interests, liaisons to Pacific Rim and European communities and representatives from local educational institutions with multimedia curricula.
8. Declare that the City, in partnership with the aforementioned umbrella organization and the Interactive Media industry sponsors, will consider establishing, as well as assisting in the funding of an Interactive Media Center. The Center, which would serve as a focal point for the Interactive Media industry, would be used for the following functions: (1) a library of Interactive Media with a viewing area, (2) a meeting place for industry groups, (3) small conference areas and Interactive Media equipped presentation facilities, and office space for the IICS San Francisco Bay Area Chapter and/or the above noted local umbrella organization.
9. Urge the Mayor to allocate staff support from the Office of Economic Development to work with the proposed umbrella organization on implementing the various directives of the proposed resolution.
10. Declare that the City should allocate monies from the Hotel Tax Fund to sponsor an international Interactive Media Festival modeled on the Cannes Film Festival. The purpose of this festival would be to showcase, judge and create a marketplace for Interactive Media.

**Comments:**

1. Mr. Ron Blatman of the Mayor's Office of Business and Economic Development, reports that any support services that are provided to the Interactive Media industry umbrella organization would be absorbed by existing staff.

2. Mr. Blatman and Mr. Tim Boyle of the IICS advised that no definitive estimate has yet been made regarding the amount of City monies which might be allocated to fund the Interactive Media industry umbrella organization and the Interactive Media Center. Additionally, Mr. Blatman and Mr. Boyle advised that to their knowledge, no specific estimate has yet been made regarding either the amount of Hotel Tax monies which might be allocated to fund the international Interactive Media Festival or the amount of Hotel Tax monies which might be reallocated from existing organizations in order to provide Hotel Tax monies to the Interactive Media Festival.

3. The sponsor of the proposed legislation reports that an Amendment of the Whole will be prepared on this proposed legislation to add two additional provisions as follows: (1) to urge the Mayor to identify any available funds within the existing Economic Development budget in the amount of \$15,000 to \$25,000 to be used for the development of a strategic plan for the establishment of the Interactive Media industry umbrella organization, the Interactive Media Center and the Interactive Media Festival (if the staff capability exists, such strategic plan would be developed by in-house Mayor's staff, if not an outside contractor would be acquired), and (2) to urge the Mayor to establish a separate division within the Mayor's Office, which would be responsible for fostering the growth and development of the Interactive Media industry. As of the writing of this report, there was no estimate available as to what, if any, costs, would be incurred for the establishment of such a division.

**Recommendation:** Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 5 - File 171-92-5

1. The proposed resolution would urge the Mayor to urge the California Transportation Commission to adopt the Federal system of highway mileage markers and exit numbers.

2. California is the only State that has not implemented the Federal system of highway mileage markers and exit numbers (see Attachment for examples of exit signings and mile markers).

3. The national standards for traffic control devices (signs, pavement markings, signals) are contained in the Manual on Uniform Traffic Control Devices (MUTCD). Section 2F-19 of the MUTCD requires interchange exit numbering for all exits on controlled access highways (freeways). In addition, Title 23 of the Code of Federal Regulations states that "Federal-aid projects for the construction, reconstruction, resurfacing, restoration, or rehabilitation of streets and highways shall not be opened to the public for unrestricted use until all appropriate traffic control devices are installed and functioning properly in conformance with the MUTCD". According to Ms. Aida Berkovitz of the Federal Highway Administration (San Francisco Office), the Federal Highway Administration has been working to convince Caltrans to bring the State's policy into conformance with national standards contained in the MUTCD. However, the Federal Highway Administration has not advised the State of California that the Federal government would withhold transportation grant funds under the Federal Surface Transportation Act because the State has not implemented the Federal System of Mileage Markers and Exit Numbers.

4. Mr. Perry Lowden, Principal Transportation Engineer for the California Department of Transportation (Caltrans) reports that a mile posting policy was developed in California prior to the adoption of the national standard for milepost design and installation in 1971. Caltrans' policy for mile posting and interchange exit numbering, which is contained in the California Traffic Manual, does not conform with the national standard.

5. Mr. Lowden advises that a conversion to the Federal System of Highway Mileage Markers and Exit Numbers for the State of California is not a high priority and such a conversion would be accomplished in conjunction with a proposed nation-wide conversion to the metric system in 1996 as currently required by Federal law. Mr. Lowden estimates that the conversion would cost between \$25 million and \$30 million to complete and, if it had to be changed again in 1996 because of the metric system conversion, it would cost at least an additional \$25 million.

6. Presently, the Federal Highway Administration pays 80 percent and the State pays 20 percent for highway construction projects under the new Surface Transportation Act. In FY 1991 California received \$1,200,000,000 and in FY 1992 California will receive \$1,360,000,000, an increase of \$160,000,000 over the Federal allocation from the previous year.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comments**

1. If the State of California implemented this program to convert its controlled access highways to the Federal System of Mileage Markers and Exit Numbers for an estimated \$30 million, a total of \$24 million (80 percent of \$30 million) in Federal highway funds and \$6 million (20 percent of \$30 million) in State funds would be needed for such a conversion.

2. No local funds would be needed to assist in the State's conversion to the Federal System of Mileage Markers and Exit Numbers.

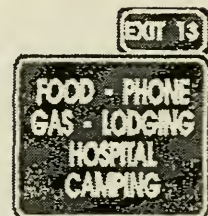
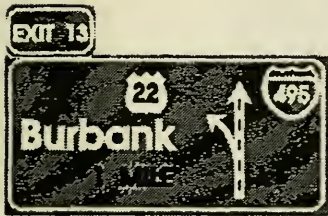
3. According to the California Travel Parks Association (CTPA), Riverside County is the only other California county to have passed a resolution supporting the proposed conversion at this time. Organizations which support the current highway sign conversions are the California Ambulance Association, California Tow Truck Association, California Travel Industries Association and the California Travel Parks Association.

**Recommendation**

Approval of the proposed resolution is a policy matter for the Board of Supervisors.



**PROPOSED EXIT SIGNING**  
*Used in 47 Other States – but NOT California*



**Proposed Mile Marker**



*– starts over at state lines only*





Item 7 - File 97-92-62

**Item:** Ordinance amending the San Francisco Administrative Code by amending Section 16.9-29, relating to transfer of sick leave and vacation benefits to catastrophically ill employees, by eliminating the limitation on the maximum number of hours that can be transferred to an employee for any single catastrophic illness.

**Description:** Proposition H, approved by the electorate on November 7, 1989, authorizes City employees to transfer their unused accumulated sick leave to a catastrophically ill City employee. Under Proposition H, the Board of Supervisors is required to establish rules necessary to administer, interpret, and regulate the provisions of such sick leave transfers.

In order to be deemed catastrophically ill, an employee must have sustained a life-threatening illness or injury and must have already exhausted all of his or her available sick leave and vacation time. Section 16.9-29(g)(5) of the Administrative Code currently provides that the maximum number of hours that can be transferred to an employee (from all donors) for any single catastrophic illness is 3,120 hours. The proposed ordinance would delete this provision, thereby eliminating the limitation on the maximum number of hours that could be donated to an employee who is catastrophically ill.

**Comments:** 1. The Budget Analyst notes that the current maximum of 3,120 hours which can be donated to a catastrophically ill employee, based on 40 hours per week, is equivalent to 78 weeks, or 1.5 years of paid leave donated by other City employees.

2. Mr. Al Walker, General Manager of the Civil Service Commission, reports that the present limit of 3,120 hours which can be transferred to a single recipient was based on the need to limit the impact of the program on the City's operations. When sick and vacation leave are transferred to a catastrophically ill employee, the employee remains on the City's payroll for a longer period of time than would otherwise be possible without being required to report to work. The department which employs the catastrophically ill employee continues to pay the employee with funds budgeted for the position, but without receiving the benefit of the employee's services. This results in a loss of productivity (if the employee's work is not performed) or a greater workload for other employees (if they assume the work) within the department. In addition, Mr. Walker reports that

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

departments are not permitted to fill a position which has been vacated by an employee who is catastrophically ill but who remains on the payroll, unless additional funds are appropriated to the department to immediately fill the position. Therefore, the department can be understaffed for an extended period of time due to the transfer of sick and vacation leave to a catastrophically ill employee.

Mr. Walker states that eliminating the 3,120 hour limit on the number of hours that could be transferred to a single employee would therefore impose an additional burden on departments, if catastrophically ill employees were to receive paid leave for periods longer than 1.5 years, since any adverse impacts on the operations of the department would continue for a longer period of time.

Mr. Walker also states that the program to assist catastrophically ill employees was intended to provide temporary financial support for the City's catastrophically ill employees, who may be ineligible for assistance from other sources in the early stages of illness, but who may qualify for such assistance after a longer period of time, such that the extended sick and vacation leave donated by City employees would no longer be necessary.

3. Until June, 1992, upon the death, resignation or retirement of a catastrophically ill employee, any unused sick or vacation leave which had been transferred to the employee was eliminated from the City's payroll system, and was not allocated back to the donor or to other catastrophically ill employees. In June, 1992, the Board of Supervisors amended the Administrative Code (File 97-92-24) to provide that, upon the death, resignation, or retirement of a catastrophically ill employee, any outstanding transferred vacation and sick leave would be re-distributed among other employees participating in the program. The redistribution is made among catastrophically ill employees in a manner which tends to equalize the amount of leave transferred to the City's catastrophically ill employees.

Therefore, eliminating the 3,120 limit on the number of hours which can be transferred to a single recipient would increase the number of unused transferred hours of leave which would be allocated to other employees, if more than 3,120 hours are donated but not used by the original recipient.

4. The Budget Analyst notes, however, that the current maximum transfer of 3,120 hours has not been reached by most employees who have participated in the catastrophic

illness program. Ms. Howie Bogard of the Controller's Office reports that, as of November 12, 1992, 174 City employees had enrolled in the program since its inception in early 1990. Of these 174 enrollees, only one employee has reached the 3,120 maximum limit on the number of hours which can be transferred.

Of the remaining 173 enrollees, 130 have dropped out of the program without reaching the 3,120 limit. Of the 43 catastrophically ill employees still enrolled, 6 have not exhausted their own accrued vacation and sick leave benefits, and therefore are not eligible to receive transferred benefits. The remaining 37 employees still enrolled have accrued a total of 28,638 hours of transferred vacation and sick leave, or an average of 774 hours (approximately 4.5 months of work) for each catastrophically ill employee currently enrolled in the program to whom hours have been transferred.

The following table shows the number of employees currently enrolled in the program who have accrued transferred vacation and sick leave in the designated amounts:

<u>Amount of Accrued Transferred Leave</u>	<u>Number of Employees</u>
None	6
1 day-3 mos.	16
4-6 months	10
7-9 months	7
10-12 months	3
13-15 months	0
16-18 months*	<u>1</u>
Total	43

\*18 months equals 3,120 paid hours

This table reflects that 39 of the 43 catastrophically ill employees (approximately 91 percent) now enrolled in the program have accrued 9 months or less of transferred leave, or less than half of the transferred hours which they are eligible to receive under the current 3,120 hour limit.

5. Since catastrophically ill employees remain on the City payroll, under the Administrative Code they continue to accrue their own vacation and sick leave, which must be expended before any transferred hours can be expended.

Memo to the Economic and Social Policy Committee  
December 8, 1992 Economic and Social Policy Committee Meeting

**Recommendation:** Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 8 - File 114-92-7

**Department:** Department of Public Works  
Bureau of Building Inspection

**Item:** Ordinance amending Part II, Chapter I, of the San Francisco Municipal Code (Building Code) by amending Section 104(b) to provide that where a building permit application is filed by a City department on or after January 1, 1992 to repair a City-owned building under the bond-funded Public Safety Improvement Projects, the building's existing electrical, plumbing, mechanical, fire protection or life-safety systems are not required to comply with this Building Code (a) if the system complies with the Code in effect at the time of its construction or installation, (b) if the system is safe to continue to operate, and (c) if the system is not relocated, altered for reuse, or expanded; adopting findings, including that it is in the public interest to use Public Safety Improvement Project Bond proceeds for earthquake hazard reductions rather than for the upgrading of building systems, as long as the existing systems, such as electrical systems, can be operated safely.

**Description:** Chapter I, Section 104 of the Building Code describes when previously constructed buildings must comply with current Building Code requirements. According to Chapter 104, if any system (such as an electrical, plumbing, mechanical, fire protection or life-safety systems) is removed during a construction project, even if it is replaced without alteration, that system must be upgraded to comply with the current Building Code.

In June 1990, the San Francisco electorate approved a proposition (\$332.4 million) to authorize the issuance of bonds to fund Earthquake Safety Programs, such as seismic upgrades. These bonds are known as the Public Safety Improvement Bonds. Seismic upgrades, asbestos abatement, and disability access upgrades might require the temporary removal of various building systems, including the electrical, plumbing, mechanical, fire protection or life-safety systems during construction. These systems may be replaced, unchanged, upon completion of construction.

In order to comply with the Building Code, the City must upgrade all systems which are removed during construction to meet current Building Code standards. According to the proposed legislation, it is in the public interest to use the Public Safety Improvement Project bond proceeds for their



principal purposes of earthquake hazard reduction, asbestos abatement and disability access, rather than for the upgrading of building systems, as long as the existing systems can be operated safely.

The proposed ordinance would amend the Building Code to exempt those City-owned building projects funded by the Public Safety Improvement Bonds from the current Building Code requirements regarding improvements for electrical, plumbing, mechanical, fire protection and life safety systems, providing that certain conditions are met. Specifically, in order to be exempted from the Code, the system must: (1) comply with the Code in effect at the time of its original construction or installation; (2) be safe to continue to operate in the opinion of the Superintendent of the Chief of the Bureau of Fire Prevention and Safety; and (3) not be relocated, altered for reuse or expanded.

**Comments:**

1. On June 13, 1992, the Board of Supervisors approved an ordinance amending Chapters 14 and 15 of the Building Code, pertaining to seismic retrofitting of private sector buildings, to require seismic strengthening of unreinforced masonry buildings (UMBs). San Francisco voters subsequently passed a maximum of a \$350 million bond proposal to fund these UMB seismic upgrading projects. That legislation provided that the seismic strengthening work would not require alteration of existing electrical, plumbing, mechanical, fire protection or life-safety systems which are in compliance with the code in effect at the time of their construction.

2. Under the \$332.4 million Earthquake Safety Program, the City is currently providing seismic upgrading to 23 buildings, including major Civic Center buildings such as City Hall and the War Memorial. These seismic upgrading costs are estimated at approximately \$204.8 million. The proposed ordinance would exempt those buildings which have or will file building permits on or after January 1, 1992 from the current Building Code requirements relating to electrical, plumbing, mechanical, fire protection and life safety upgrades, in accordance with the regulations cited above.

3. According to Mr. Tom Thornton of the Department of Public Works (DPW), the anticipated use of the Earthquake Safety Bond Program bond proceeds do not include costs to upgrade building systems. Although Mr. Thornton reports that the DPW has not precisely estimated the additional cost to the City if all the building systems under the Earthquake Safety Program had to be upgraded, Mr. Thornton indicated



that the costs would be substantial. Given that these substantial costs would affect the City's ability to meet the construction and seismic upgrading projects funded under the Earthquake Safety Program, with the potential of having to issue more bonds, the proposed ordinance was determined to have a fiscal impact.

**Recommendation:** Approve the proposed ordinance.



Item 9 - File 123-92-4

**Department:** Department of Public Works (DPW),

**Item:** Ordinance amending the Article 4.2, Section 149.1 of the San Francisco Municipal Code (Public Works Code) relating to the rate paid to members of the Residential Users Appeals Board.

**Description:** The Residential Users Appeals Board (Board) considers complaint and appeal cases concerning the sewer service charges. The Residential Users Appeals Board consists of three members appointed by the Chief Administrative Officer (CAO). These Board members currently receive \$10 per hour to attend Residential Users Appeals Board meetings. The proposed ordinance would increase the rate from \$10 per hour to \$50 per meeting. Compensation of the Board members is paid from the Sewer Service Fund.

According to the DPW, the Board meets an average of nine times a year and spends an average of four hours at each meeting. Thus, each Board member currently receives an average of \$40 per meeting or an average of \$360 per year. The proposed ordinance would increase each Board member's compensation by approximately \$10 per meeting or \$90 per year. The total estimated increase would therefore be \$270 annually (\$90 x 3 Board members).

**Comments:** 1. The DPW reports that the increased compensation reflects the increased time that the Board members spend prior to meetings on the necessary homework. In addition, the DPW reports that other similar boards such as the Abatement Appeals Board, the Board of Examiners, and the Handicapped Access Appeals Board receive \$50 per meeting.

2. Funds for the increased compensation are included in the DPW's FY 1992-93 budget.

**Recommendation:** Approve the proposed ordinance.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 12 - File 206-92-1

**Note:** This item was continued at the April 28, 1992 Special Economic and Social Policy Committee Meeting.

1. This item is a hearing to consider the San Francisco Housing Authority's procedure for disbursements of funds to tenant groups for resident-management training.

2. According to the Housing Authority, Technical Assistance Grants providing resident-management training funds are allocated to Resident Associations (tenant groups) directly by the Department of Housing and Urban Development (HUD). The Housing Authority exercises no control over these funds. Resident Associations can submit applications to HUD for funding on the following two levels: (1) an initial "mini-grant" (\$40,000), which would be used by the Resident Associations to provide training for the formulation, creation, and development of a board to take on management responsibilities and (2) a supplemental grant (\$60,000), which would be used for additional training to assist the Resident Associations to implement their on-going management plans.

3. In 1991, two Resident Associations, Alemany and Hunters View, received \$40,000 Technical Assistance Grants from HUD. Three other Resident Associations, Holly Court, Sunnydale, and Robert B. Pitts, did not receive Technical Assistance Grants from HUD. Mr. Gilmore, Director of the Housing Authority, has stated that the Housing Authority has an interest in supporting all five Resident Associations in their efforts to establish resident-management of their respective housing developments. As such, Mr. Gilmore advised that the Housing Authority, in the Fall of 1991, made a commitment to provide \$40,000 each to Holly Court, Sunnydale and Robert B. Pitts for a total of \$120,000, in order to permit these Resident Associations to proceed with their plans to acquire resident-management training for the formulation and development of a board to assume management responsibilities.

4. In 1992, the Robert B. Pitts Resident Association received a \$40,000 Technical Assistance Grants from HUD. Also in 1992, the Housing Authority awarded a \$40,000 Comprehensive Improvement Assistance Program grant each to the Sunnydale and the Holly Courts Resident Associations for resident-management training.

5. Mr. Gilmore reports that once the Resident Associations have completed their training and have viable management organizations in place, the Housing Authority would contract with these Resident Associations to manage their respective housing developments, thereby removing the Housing Authority from its responsibility for the day-to-day operations management of these housing developments. However, the Housing Authority would continue to maintain oversight responsibility for these housing developments.

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Memo to Economic and Social Policy Committee  
December 8, 1992 Economic and Social Policy Committee Meeting

6. The Housing Authority reports that both the Alemany and Hunters View Resident Associations have been incorporated as non-profit organizations. The Holly Court, Sunnydale, and Robert B. Pitts Resident Associations are in the final stages of obtaining non-profit incorporation status.

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Item 13 - File 206-92-3

1. This is a hearing to consider the Housing and Urban Development's (HUD) report on the San Francisco Housing Authority.

2. On September 10, 1992, the Regional Inspector General for Audit (RIGA), U. S. Department of Housing and Urban Development (HUD) issued an audit report on the San Francisco Housing Authority (SFHA) as part of a multi-regional external review of "troubled" Public Housing Agencies (PHAs). The audit report was submitted to HUD's Acting Regional Administrator-Housing Commissioner. "Troubled" PHAs are determined by HUD as a result of scoring less than 60 percent under HUD's Public Housing Management Assessment Program (see Comment 1).

3. The objective of HUD's audit was to determine whether SFHA is administering its public housing activities in an efficient, effective, and economical manner, and is in compliance with the terms and conditions of its Annual Contributions Contract, applicable laws, HUD regulations, and other applicable directives. The Annual Contribution Contract is SFHA's contract with HUD to subsidize the operations and maintenance of City public housing projects and related housing subsidy programs.

4. The Regional Inspector General for Audit (RIGA) found seven areas in which the SFHA needed to make various improvements in its operations. According to the audit report, these areas included:

- the accuracy of SFHA's FY 1991 Public Housing Management Assessment Program (PHMAP) certification and related score which determines whether the SFHA will be classified as a "financially troubled" or "standard performer" agency. For several of the indicators, the SFHA data was not always reliable and, therefore, the SFHA scoring was higher than warranted. RIGA found a lack of verifiable and documented systems to support SFHA data on vacancies, vacant unit turn around time, unit inspections and improper reporting of rents uncollected;
- SFHA did not administer its maintenance program and maintain its public housing units in accordance with HUD's Standards/Requirements. Based on a sample of 103 public housing units, RIGA found 90 or 87 percent not meeting HUD's Housing Quality Standards (HQS). RIGA also found maintenance program problems regarding SFHA use of skilled craftsmen, making emergency repairs, monitoring staff overtime and canceling over 17,000 outstanding work orders without fully ensuring the repairs were no longer required;
- SFHA did not maintain complete and accurate books of accounts and some accounting procedures and controls were questionable. These included allocating salaries to programs on a questionable basis and possessing insufficient records identifying sufficient funds in its low-income Public Housing Program account for tenants' security deposits. Thus, RIGA concluded that SFHA's financial books, records and costs are

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less than reliable resulting from SFHA's "disregard" for HUD requirements and lack of staff knowledge and training;

- SFHA used project operating funds for unnecessary, unreasonable, and ineligible expenses. These expenses totaled \$191,846 over the three year period from May 1989 to May 1992;

- SFHA's tenant selection and management practices need to be improved. The SFHA did not: (a) afford eligible applicants on its waiting list the rightful opportunity to occupy available housing units; (b) transfer about 30 percent of its residents as a result of over/under crowding of housing units or health and safety concerns, (c) collect timely rents and evict tenants for nonpayment of some rents and (d) collect additional income due from tenants for repairs, excess utility usage and late rents;

- SFHA's personnel practices need to be improved by using adequate comparability data to support administrative salaries, complying with HUD guidelines for administrative staff size and obtaining HUD approval for payment of compensation or fees to Commission members. These stem from questionable salary standards and hiring practices and lack of due consideration of HUD guidelines. Thus, there are no assurances that SFHA salaries are justified and not excessive; and

- SFHA did not follow some required procurement practices. Specifically, the SFHA (a) lacked adequate internal controls over contract administration, (b) did not maintain proper supporting documentation for quotes on small purchases and sole source procurements, and (c) did not maintain a complete or current contract log. RIGA attributed these deficiencies primarily to the SFHA noncompliance with established procurement policies and procedures and the lack of an effective internal control system.

5. SFHA generally disagreed with all of the RIGA audit findings and stated that the audit lacked a factual basis for its conclusions. Further, SFHA indicated that the audit did not objectively portray SFHA's performance and recognize the significant improvements made during the last three years. A copy of SFHA's response is attached.

6. The RIGA audit recommended that HUD's San Francisco Regional Office (SFRO) require the SFHA (1) to develop a formal plan to address the findings in the report and submit the plan to the SFRO for approval and (2) closely monitor SFHA's efforts in developing and implementing a plan to address all seven findings.

7. RIGA has requested that the HUD SFRO advise RIGA within 60 days on the status of actions to be taken by the SFHA on the audit findings. A status report for each of the audit findings should include: the corrective action taken, the proposed corrective action and the date for its completion and/or why action is not needed.

Comments

1. On April 16, 1992, during the course of the audit investigation, HUD reclassified SFHA from "financially troubled" to a "standard performer" under HUD's Public Housing Management Assessment Program (PHMAP), the subject of the first finding listed under Point No. 4 above. The reclassification was based on SFHA scoring a 69.2 percent (152.28 graded points out of a maximum score of 220 points) in HUD's PHMAP which was later revised downward to 68.09 percent by HUD's SFRO. Public Housing Authorities scoring between 60 and 90 percent may be designated "standard", while those scoring less than 60 percent may be designated as "troubled". In the subject audit, the RIGA staff scored the SFHA at 54.0 percent (118.78 graded points) which would have placed the SFHA in the "troubled" category. Thus, there was disagreement between HUD's Regional Office and HUD's independent Office of the Regional Inspector General for Audit (RIGA) as to whether the SFHA was a "standard" or "troubled" agency. "Standard" performers under PHMAP are subject to standard HUD review and monitoring requirements in contrast to the more rigid HUD oversight and reporting requirements applicable to public housing authorities designated as "troubled" agencies. The scoring was related to SFHA data for the Federal fiscal year ending September 30, 1991.

2. Mr. Joseph Schiff, HUD's Assistant Secretary for Public and Indian Affairs, has instructed HUD's regional staff not to return the SFHA to the "troubled" category, but instead to focus their efforts to the next annual PHMAP certification that would review appropriate SFHA data for the Federal fiscal year ending September 30, 1992. According to Mr. Mike Flo of the HUD's SFRO, the next certification review will be completed by March 31, 1993 based on information provided by SFHA by December 31, 1992.

3. SFHA Deputy Executive Director for Administration and Finance Carole Wilkins advises that the SFHA has submitted a status report on the subject audit to HUD's SFRO on October 22, 1992.

4. Mr. Flo of HUD's SFRO advises that the SFHA status report is under submission for evaluation and further field work, if necessary, with an anticipated submission to RIGA in early January 1993.

5. On September 15, 1992, Mr. John Connors, Acting HUD Inspector General advised that HUD had "initiated a criminal investigation" related to claims that the SFHA provided Federal inspectors with unsupported and unreliable data while the subject audit was conducted. Mr. Richard Fix, Regional Inspector General for Investigations, advises that the criminal investigation has been completed with no findings requiring further action by the U. S. Department of Justice.

6. The Board of Supervisors has directed the Budget Analyst to conduct a comprehensive management audit of the San Francisco Housing Authority. That management audit is expected to begin during January 1993.

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PUBLIC HOUSING MANAGEMENT ASSESSMENT PROGRAM

PHMAP

**SFHA RESPONSE: DOCUMENTATION CONFIRMS SFHA OFFICIALS PROVIDED AN ACCURATE, DOCUMENTED, FACTUALLY CORRECT PHMAP CERTIFICATION FOR FISCAL YEAR 1991. THE IG HAS FAILED TO SUBSTANTIATE ITS CONTENTION TO THE CONTRARY**

The Authority's assessment of its fiscal year 1991 performance with respect to the Public Housing Management Assessment Program (PHMAP) is accurate and well documented. HUD's confirmatory review properly concluded that the improvements at the SFHA warranted the removal of the "troubled" designation. Despite nine months of study, the IG has not unearthed any evidence that the de-designation was not warranted.

**INDICATOR 1 - VACANCY NUMBER AND PERCENTAGE**

During the PHMAP confirmatory review with HUD officials, it became evident that SFHA and HUD had different ideas of what constituted a vacant unit for purposes of PHMAP. The SFHA agreed to recalculate its vacancy statistics using HUD's newly articulated definition and determined that the SFHA maintained an overall occupancy rate of 98 percent during FY 1991 after deducting units vacated for modernization.

The Authority conducted a comprehensive analysis of apartments occupied, vacated, and re-rented, through the entire FY 1991 and on the basis of a complete hand count of all rent billings for each month of the year minus all occupancy-related rent credits given during the period, the Authority confirmed that its average occupancy level for FY 1991 was 98 percent.

The auditors' report was inaccurate with respect to how the Authority had defined and presented information pertaining to its vacancy performance. It is noted that the Authority had already discussed its vacancy rate and the impact the definition change of when a vacant unit was considered occupied would have on the Authority's score with HUD through the exchange of a series of letters and conversations. The auditors were apparently not aware the issue had been fully and openly reviewed and the auditors did not communicate this interest in the matter to the Authority so the information and documentation were not offered. Also, the Authority fully documented its vacancy rate for the entire period using both definitions of occupancy date. The final results of our calculations were an average occupancy level of 98 percent for the first half of the year and 99 percent for the second half of the year.

**INDICATOR 3 - UNCOLLECTED RENTS**

The uncollected rent figure used by the auditors as the basis for this finding does not include such appropriate adjustments as rent credits, rent adjustments to reflect reductions in tenant income, and partial rent charges for units occupied during a month. Therefore, the auditors uncollected rent figure is higher than ours. The difference is also due, in part, to a change in the methodology called for under PHMAP for counting vacated accounts for tenants

who moved out during the fiscal year. However, using the calculations prescribed by the PHMAP Handbook, and including vacated accounts that had been excluded from our original calculation, the Authority's figures are still lower than the auditors. The new methodology results in a grade "C" for the Authority based on uncollected rents equal to 5.79 percent. The Authority continues to believe it is appropriate to count amounts held in escrow as rent collected as of the end of the fiscal year.

## **INDICATOR 5 - VACANT UNIT TURNAROUND**

Contrary to the auditors' claim, the Authority has a system for tracking vacancy turnaround. Although the system is not fully automated, it meets our information and reporting needs. Our system for tracking vacancy duration was described to HUD in detail in our March 20, 1992 correspondence and was certified by HUD as acceptable during the confirmatory review. The average vacant unit turnaround time in the 1991 fiscal year was 29 days, which qualifies the Authority for a grade "C." The Authority initially claimed a grade "A" based upon its original definition of the occupancy date as described in Indicator 1. When that definition was challenged by HUD and its recommended definition adopted, the Authority revised its PHMAP submission regrading itself from "A" to "C."

In addition, the Authority views the auditors' findings and conclusions questionable in this area because we found their methodology was flawed and certain calculations were incorrect. The Authority's analysis included a count of every unit and every rent credit for the entire 1991 fiscal year, not merely a sample.

## **INDICATOR 7 - ANNUAL INSPECTIONS**

### **Component 1: System to Track Inspection and Repair of Units and Systems**

The Authority disagrees with this assessment and maintains that a grade "A" should stand for this component. The issue of the Authority's tracking system was addressed previously with HUD and HUD found the system acceptable. Apparently, the IG was unaware of this. The Authority's tracking system is not fully automated in that the computer system used did not provide data on scheduled versus actual inspections and work orders generated to correct unit deficiencies noted during inspections were not distinguishable from all other work orders. As a result, a manual system was used for tracking the completion of annual inspections. PHMAP does not require an automated system. The combination of the computerized and manual systems satisfied the information and reporting needs of the Authority and was found acceptable by HUD.

**Component 2: Annual Inspection of Units****100 percent of Units Inspected**

At the time of the PHMAP certification and HUD confirmatory review, the SFHA relied on reports from its field staff, which reflected that 100 percent of the units had been inspected. However, when a file-by-file review was performed, the field staff could not locate an inspection sheet for each unit claimed to have been inspected. As a result, the SFHA acknowledges that its score for this indicator should be reduced, but by 6.25 points, not the 7.5 points urged by the IG.

**INDICATOR 9 - OPERATING RESERVES**

The Authority should maintain a grade "A" for this indicator based on a reserve level of 40.6 percent of the maximum level allowed by HUD. The auditors claim that the Authority could not provide acceptable documentation to support the balance of \$7,820,379 reported for its operating reserves and thus the Authority should receive a grade of "F." The auditors state that the Authority's financial records did not include the reported amount as of September 30, 1991.

Contrary to the auditors' claim, the Authority's HUD Form 52599, Statement of Operating Receipts and Expenditures (which the PHMAP Handbook 7460.5 worksheet indicates is the source to use for reporting on this indicator) for the period ending September 30, 1991, Line 790, shows an Operating Reserve balance of the above amount. Further, HUD has approved year-end PFS adjustments which increase the reserve level. The Authority's reported reserve level is confirmed by the most recent independent audit (with adjustments described in the appendix to this report). Finally, the auditors' description of the Authority's reserve balance is not accurate or complete because it failed to consider investments, outstanding receivables, inventories, or other components of the Authority's reserve balance.

**INDICATOR 12 - DEVELOPMENT**

This performance indicator assessed the Authority's administration of the Robert B. Pitts Plaza new construction. When the Authority received the notification from HUD on our PHMAP rating, the score for the development indicator had been reduced in the areas of contract administration, timeliness of development, and budget controls. We disagreed with the rating then, but chose not to appeal based on the overall PHMAP rating as a standard PHA. On June 1, 1992, we requested HUD provide us with the basis for the reduced score since the notification letter provided no explanation. The letter of explanation arrived July 31, 1992, two months later. The auditors state that the HUD Office gave the Authority a lower score on this indicator because of problems in developing Robert B. Pitts Plaza. The auditors acknowledge



the lowered score, however, they did not review this indicator. The Authority maintains that its performance in this area warrants a passing grade by HUD.

### **BOOKS OF ACCOUNTS, RECORDS, AND ACCOUNTING** **INTERNAL CONTROLS**

#### **SFHA RESPONSE: SFHA MEETS ACCEPTABLE PERFORMANCE STANDARDS AS CONFIRMED BY THE AUTHORITY'S MOST RECENT INDEPENDENT AUDIT**

The SFHA has made great progress under the current administration in overcoming significant and longstanding weaknesses in its accounting and financial management systems and has a comprehensive plan on file with HUD to continue improvement in this area. The Authority's most recent independent audit found that the SFHA meets acceptable performance standards. The IG auditors have failed to provide evidence to support their assertions of accounting deficiencies. For example, the auditors have characterized the Authority's practice of loaning funds between programs as inappropriate even though these transactions are fully documented and (despite the auditors' contentions) fully consistent with nationally recognized and HUD condoned practice. This practice is not commingling. We have consistently provided documentation to support the process of interfund borrowing and account and interfund reconciliations.

The SFHA has provided sound evidence that it pursued reimbursement for expenses from the City in an appropriate manner. The SFHA has also fully explained the reasons for the issuances of manual checks and provided the documentation to support such transactions. One example referenced by the auditors was the result of a delay in contract negotiations with City police and reflected the Authority's interest in ensuring the maximum available security services for residents of public housing. The auditors take great pains to highlight "trivial" account classifications and to highlight rent credit classifications that are dictated by the current out-dated MIS, but have no effect on the operating reserve. Finally, as the auditors were informed, the SFHA assists residents in obtaining gainful employment by advancing funds for union initiation fees which are intended to be paid back through payroll deductions. In two cases we did not identify these reimbursements (for \$435) and have provided documentation on the re-coding. This type of assistance is fully supported by the HUD Secretary's "Step-Up" Initiative.

## RENT COLLECTION

**SFHA RESPONSE: THE SFHA COLLECTS 98 PERCENT OF RENT BILLED EVERY MONTH. THE SFHA COMPLIES WITH ITS RENT COLLECTION POLICY AND HAS IMPLEMENTED APPROPRIATE PROCEDURES TO INCREASE COLLECTION OF CURRENT BILLINGS AND REDUCE TENANT ACCOUNTS RECEIVABLES.**

The SFHA does have agency-wide, standard rent collection policies in place which it uses as guidelines for following through on lease enforcement actions. In the past fiscal year, the SFHA actually reduced its Tenant Accounts Receivables (TARs) by 11 percent.

The auditors criticize the Authority for lack of evidence in the resident files indicating that rent collection procedures are being followed. However, eviction proceedings are automated and are entered into the agency's System 38 computer system. (See attached appendix for further details.) As the auditors' sample shows, the majority of SFHA residents are paying off their delinquencies. The 75 residents identified by the auditors currently owe a total of \$106,892.

The Authority has, in fact, reduced the time it takes to process an eviction and has substantially increased the number of eviction actions being processed. For example, during the quarter ending December 31, 1991, there were 97 complaints filed, while during the March 30, 1992 quarter, 150 complaints were filed. During the first six months of the current fiscal year, the SFHA completed 60 evictions. The hiring of two Legal Clerks has assisted the Authority in this effort.

The auditors failed to determine the status of stipulation agreements they believed were inadequately enforced. The SFHA is either receiving payments, negotiating new agreements, pursuing further legal action, or pursuing wage garnishing for former tenants with outstanding balances. The auditors' finding claiming favoritism or reluctance to collect overdue rent on resident/employee rent balances is grossly misstated. The auditors' report ignores the fact that 91 percent of resident employees are either current, repaying regularly or are within one month of being current on rent.

## **HOUSING QUALITY STANDARDS**

### **SFHA RESPONSE: THE IG REACHED THEIR CONCLUSIONS BASED UPON SERIOUSLY FLAWED INSPECTIONS OF ONLY 1.5 PERCENT OF THE AUTHORITY'S UNITS**

The auditors inspected only 103 apartments. A sample of 1.5 percent is insufficient for use as a measurement of apartment condition in a housing authority of this size. The SFHA inspected the same units inspected by a HUD appraiser and arrived at significantly different findings. SFHA found 36 percent of units without HQS violations. In total SFHA inspections found 257 deficiencies, 41 percent fewer than the HUD appraiser. However, our findings indicate that very few of the deficiencies are of a serious nature or pose a hazard to residents.

The auditors have indicated that the blame for SFHA's conditions lies mainly with a lack of a preventive maintenance program and inadequate inspections. However, the Authority has recently implemented a preventive maintenance program. The real cause for deferred maintenance is inadequate funding of modernization by HUD. The Authority's Comprehensive Plan estimates our capital need at more than \$330 million. Even the best preventive maintenance program could not stop the further deterioration which will most assuredly occur. The finding ignores recent management improvements at the agency which will help the agency to address long-standing maintenance repair needs. These improvements include the creation of a comprehensive Maintenance Plan, HQS and local code training for staff and the commencement of an automated inspection and work order management system.

## **APPLICANT WAITING LISTS, APPLICANT ELIGIBILITY**

### **SFHA RESPONSE: THE AUTHORITY PLACES ITS INCOMING RESIDENTS IN FULL COMPLIANCE WITH HUD REGULATIONS**

Available demographic statistics clearly indicate that applicants are assigned without regard to race or ethnicity and are not selectively referred to certain developments. The last 190 referrals made to Asian households led to 87 offers of housing, eight percent in Chinatown/North Beach and 92 percent in developments outside of Chinatown. Of the 1,510 Asian households in SFHA, 495 (33 percent) live in Chinatown. The data thus indicates that less than half of SFHA's Asian households live in or near Chinatown.

The auditors failed to consider the California Three-Refusal Rule as a factor in concentrated assignments. Statistics indicate that concentrated assignments exist at SFHA sites

due to the refusal of locations offered to applicants, often until units are offered in a development where their race predominates. HUD has recognized the problems inherent in the Three-Refusal rule and has recently superseded State Law and instructed the SFHA to abandon this practice. The auditors also failed to note the existence of a Title VI review of the SFHA by HUD which attributes the existence of racially identifiable developments to conditions dating back to 1985. In addition, a Voluntary Compliance Agreement (VCA) has been reached between SFHA and HUD which specifies strict guidelines for housing referrals, including the abandonment of the Three-Refusal Rule.

The auditors have not recognized a Congressional statute as overriding an outdated HUD regulation on the admission of non-elderly singles. Moreover, what the auditors represent as "political referrals" are actually emergency cases qualifying for a Federal Preference. The nature of these emergencies indicates that due to their Federal Preference these applicants would not have remained on the waiting list for a long period of time.

## **SALARY AND FRINGE BENEFITS COST ALLOCATION**

### **SFHA RESPONSE: SFHA USES ALLOCATIONS PREVIOUSLY APPROVED BY HUD WHICH ARE CONSISTENT AND FULLY JUSTIFIED WITH APPLICABLE FEDERAL REQUIREMENTS**

The unit-based salary allocation method used to determine Section 8 costs has been used by SFHA and approved by HUD annually since 1988. Administrative costs associated with the Section 8 program include not only staff who work directly with the program but eligibility staff who are responsible for Section 8 applicants and waiting list, finance staff who process Section 8 payments and budgets and a variety of staff who provide supervision and administration support services to the Section 8 program and its staff (including payroll, procurement, personnel, legal and executive office). To do otherwise would not be fiscally sound. Moreover, the auditors acknowledge federal regulations do not specify what methods may be used to allocate costs between programs. The Authority believes this is further evidence of the reasonableness of its approach to allocating Section 8 administrative fees, which are provided on a "formula" and not a "cost basis."

The auditors did not discuss CIAP cost allocations with management staff or seek verification before concluding these costs were allocated on an arbitrary basis. Senior management, based on consultation and identification of employee responsibilities, allocate salary and fringe benefit costs to CIAP which are reviewed annually. Some of the positions questioned have already been modified in the budget submission for the subsequent fiscal year and have been documented as such. In general, fringe benefit costs are allocated in the same manner as



salaries. Due to the limitations in the payroll system, there was incomplete allocation of the employee's share of retirement contributions for positions funded through multiple sources. Upon review by the Authority's independent auditor, this allocation system was found to have no material effect on financial operations. The Authority implemented a new payroll system in July, 1992 which allows allocation of these costs to multiple fund sources.

## **MAINTENANCE OPERATIONS**

### **SFHA RESPONSE: THE IG CONDUCTS ITS AUDIT WITH A SERIOUS LACK OF KNOWLEDGE AND UNDERSTANDING OF MAINTENANCE OPERATIONS**

The Authority questions the auditors' reliance on data obtained from their previous audit eight years ago. Since that time, we have decentralized maintenance operations and have instituted a system to track, by category preference, the assignment and completion of all work orders. The decentralization of our operations included the establishment of mini-warehouses, resulting in a more efficient deployment of manpower and materials. The decentralization, along with a 75 percent increase in our maintenance staff over the past three years is indicative of the Authority's commitment to an improved response to our residents' maintenance needs. The auditors' recommendation would violate jurisdictional lines between crafts which are governed by collective bargaining agreements and are vigorously protected as are prevailing wages, a concept fully supported and enforced by HUD.

The auditors' opinion that maintenance repairs to units were not always performed properly is based on seven examples where maintenance work had to be repeated in the same apartment. Three of these were due to water leakage which the Authority has not ignored but has attempted to fix the problems both in the short term and in the long term. As appropriate, HUD modernization funding has been requested to address this problem at all of these developments.

The Authority's definition of emergency work orders is consistent with HUD's definition. The auditors incorrectly report that all work orders which did not meet the new definition were canceled. Any work orders that were already in the system under the previous definition of emergency remained in the system. Only their classification changed. To meet after hour maintenance needs, the SFHA establishes skeleton crews to be on call to respond to emergencies through a Duty Officer system. The Duty Officer makes determinations based on descriptions provided by tenants or the answering service which can result in dispatching crafts persons for

problems that are not true emergencies. Completion of work orders solely by the call in date is not an effective way to respond to requests. Work orders must be prioritized to insure the most effective and economical use of resources.

### **COLLECTION OF ADDITIONAL INCOME**

#### **SFHA RESPONSE: ADDITIONAL INCOME CITED BY IG WOULD HAVE COME FROM THE POCKETS OF RESIDENTS. THE SFHA OPPOSED SHIFTING CERTAIN EXPENSES FROM THE FEDERAL SUBSIDY TO TENANTS**

The auditors concluded that the SFHA does not charge tenants for repair costs attributable to damages caused by tenants or their guests without reviewing tenant accounting records. The SFHA collects little revenue from tenant maintenance charges, in part, because tenants cannot be evicted for non-payment of maintenance charges and because pursuing collections for small amounts through small claims court is not cost-effective. Further, tenants who damage their units are likely to vacate their units without paying these charges. The auditors also noted that the SFHA does not impose late charges for rent payment after the 10th day of the month. There is no reason to believe imposing late charges would reduce the amount of overdue rent owed by tenants.

SFHA does not utilize checkmeters to bill tenants for excess utility charges. Most SFHA developments do not have checkmeters, or have checkmeters which measure only electricity which is not generally used for cooking, heating or hot water. Consumption measured by these check meters is only a small fraction of the total utility use. The cost of monitoring and repairing checkmeters would be greater than the potential revenue from excess utility charges. When used in the past, checkmeters were often vandalized. With check meters removed or absent from many developments, equity issues would be raised if the SFHA were to attempt to impose excess utility charges on the minority of tenants whose units had check meters. SFHA determined that the inspection and repair of checkmeters would not be cost effective and would divert staff resources that would be better utilized addressing maintenance needs of tenants.



## PERSONNEL PRACTICES

### **SFHA RESPONSE: THE SFHA SALARY CLASSIFICATIONS COMPLY WITH COMPARABLE CITY AND COUNTY CLASSIFICATIONS AND WERE REVIEWED BY CCSF CIVIL SERVICE COMMISSION STAFF AND CONSULTANTS**

The SFHA primarily uses two methods to classify administrative positions: (1) a combination of recommendations provided by consultants in 1986 and from the Civil Service Commission of the City and County of San Francisco (CCSF) in 1987; and (2) internal benchmark classification for jobs which involve comparable levels of skill and responsibility. In general, the SFHA has tried to identify job classifications in the City and County of San Francisco which are comparable to the Authority's job classifications and base salaries on the annual salary ordinance adopted by the CCSF. In past years the SFHA has used the "whole job method" to determine matches between SFHA and CCSF classifications. Since 1990 the SFHA Personnel Department has prepared a "Factor-based Classification Evaluation" which compares the SFHA classification with three comparable CCSF classifications, using factors such as skill, responsibility, supervision, budget control, and professional qualifications.

The Authority's internal classification approach identifies jobs which involve comparable levels of skill and responsibility and uses them to establish a comparable salary range. For example, the SFHA Unit Manager is the job classification used as an internal benchmark for most SFHA department heads and staff who have similar levels of responsibility, skill, and professional qualifications.

In particular, the auditors' report states that a consultant was hired to perform work which overlapped staff responsibilities. Although the consultant position and the existing SFHA position have the same job classification, the two individuals are responsible for different activities, one for a specific development and one for management improvements. Also, the auditors have questioned the practice of hiring employees at a salary level above Step 1. This occurs because the individual's past experience and salary level justify a higher salary level. Among the employees recently hired above Step 1 are at least four who accepted positions with the SFHA at salary levels that were \$5,000-20,000 below their previous salaries.

## **TRANSFER OF INADEQUATELY HOUSED RESIDENTS**

### **SFHA RESPONSE: THE IG HAS MISSTATED AND GROSSLY MISINTERPRETED HUD REGULATIONS REGARDING A PHA'S OBLIGATION TO ASSIGN RESIDENTS TO CERTAIN SIZE UNITS**

In assigning units to new applicants and to existing transfer applicants, the SFHA follows the guidelines provided by HUD Handbook 7465.1 REV-2 CHG-1 2/91 which states:

The PHA must set reasonable occupancy standards which will assist as many people as possible without overcrowding the unit or the project and which will **minimize vacancies**. (emphasis added)

Further, in HUD's February, 1992 transmittal regarding changes in the HUD Occupancy Handbook (7465.1 REV-2 CHG-1) HUD makes clear that bedroom size assignment is a matter left to the PHA's discretion based on local needs: "the responsibility of establishing space standards lies with the PHA, HUD has traditionally provided advice and technical assistance to PHAs in this area" (excerpt from the transmittal).

The HUD Handbook clearly indicates that HUD provides only guidelines in the area of bedroom size assignment. However, rather than interpreting the intent of this regulation, the auditors have attempted to tie the SFHA to Section 8 regulations (24 CFR, Part 882, Section 109(c)), which do not apply to the HUD conventional public housing program.

All under-housed and over-housed families were properly housed when they first took occupancy. The SFHA does not deliberately increase occupancy at all costs, but makes the difficult choice of giving emergency waiting list applicants a higher priority in assignment than already housed, but often over-crowded residents. The SFHA does operate a Priority Transfer list which is updated weekly according to residents actually moving or refusing a unit without cause.

### **TENANTS SECURITY DEPOSITS AND OTHER MONIES DUE TENANTS**

#### **SFHA RESPONSE: THE SFHA PRACTICES ARE FISCALLY PRUDENT AND IN FULL COMPLIANCE WITH ALL FEDERAL, STATE, AND LOCAL LAWS AND REGULATIONS**

The auditors' contention that tenant security deposits should be maintained in a separate cash trust fund is not supported by law or regulation, nor is it consistent with sound fiscal management practices. The Authority properly accounts for and is fully able to cover security deposits and monies due its tenants. It is not reasonable or necessary for the SFHA to maintain cash balances on hand to cover all tenant security deposits. It is inconceivable that 100 percent of the tenants of all of our public housing developments would vacate their units and be entitled to receive a refund of their security deposits at the same time. The SFHA maintains sufficient cash on hand to cover reasonable expectations regarding the number of security deposit refunds that will be paid at any given time. The Authority has accounted for all assets, disclosed the liability in its entirety, consistently provided a positive cash flow, and has invested those funds prudently.

The auditors' statement that the low-rent general operating fund balance was only \$529,621 as of March 31, 1992 is correct. However, the statement that the investment account "only had a \$150,000 balance" is inaccurate. One of ten investment accounts maintained by this Authority had a balance of \$150,000. The auditors failed to report on the other nine. Also, the auditors failed to account for outstanding receivables from HUD.

### **UNNECESSARY AND UNREASONABLE USE OF PROJECT OPERATING FUNDS**

#### **SFHA RESPONSE: THE IG FOUND NO EXPENSES UNALLOWABLE OR NOT IN COMPLIANCE WITH RULES AND REGULATIONS**

The auditors have characterized expenditures totalling \$144,781 over a three year period as unnecessary and unreasonable. About one-half of the expenses relate to the location and security expenses of the eligibility office located to better serve poverty impacted households, who for the most part are in desperate circumstances seeking housing assistance. That office's location and security costs are an essential component of an effective operation of an agency committed to meeting the needs of low income family and elderly households.

Administrative leave for professional level employees who frequently work extraordinarily long hours is appropriate and is justifiably part of local management discretion. The new Administrative leave policy of the SFHA was developed in consultation with the City/County Employee Relations Division. The SFHA believes that for any executive compensation package it is not individual items but the package which needs to be viewed with respect to comparability. When the Executive Director's package is viewed in this manner it reflects comparability requirements. Travel incurred on behalf of a nationally recognized Congressional Commission on public housing is more than appropriate and was attended not only by the Executive Director but the other "uncompensated" members giving their time to this Commission. The SFHA acknowledges that \$2,868 remains uncollected from employees who incurred parking tickets or long-distance phone charges. The SFHA agrees that it should be more rigorous in the future in pursuing reimbursements.

### **UNALLOWABLE ENTERTAINMENT COSTS**

#### **SFHA RESPONSE: IG INCORRECTLY CONTENTS FUNDS FOR TENANT ACTIVITIES ARE UNALLOWABLE. HUD REGULATIONS ENCOURAGE SUCH ACTIVITIES**

More than two thirds of the items characterized as "unallowable entertainment expenses" were for tenant events, including Christmas and Halloween parties for children who reside in public housing, Christmas parties for the elderly, refreshments for neighborhood clean-ups, bus transportation for tenant field trips and baseball gloves for resident youths. The Authority strongly disagrees that these costs are unallowable since they encourage resident participation at important community events as well as offer some holiday joy for our children and seniors whose limited incomes provide little opportunity for celebration. We strongly defend these modest expenditures on behalf of our tenant organizations.

The auditors have also included in this category of "unallowable costs," the costs for two of the Authority's annual picnics, and one Christmas breakfast for employees. It is the Authority's position that such events are important in maintaining and improving employer-employee relations and employee morale, and as such are authorized under OMB Circular A-87. These costs should more appropriately be considered "Employee Morale, Health and Welfare Costs," which are allowable costs under federal guidelines. Time off for employees for preparing for Authority events (as described above) is part of the Authority's recognition of the value of these events, are considered appropriate and are more than compensated by the immeasurable impact on employee morale and performance. Of the \$53,059 cited in the report the Authority believes about \$1,628 for legitimate business costs should be covered by a source other than the Low-Rent Operating Budget and will be charged accordingly.



## **UNCLAIMED TENANT FUNDS**

### **SFHA RESPONSE: SFHA BELIEVES IT IS IN COMPLIANCE WITH STATE UNCLAIMED FUNDS REQUIREMENTS**

The methodology used by the auditors to determine a \$89,179 liability to the State of California is seriously flawed. The Authority maintains that it is not liable to the State of California for this amount but rather the credit balances should have been applied toward additional maintenance charges and/or costs associated with cleaning the unit after the tenants vacate. Staff will seek in-house legal counsel to review the state requirements and to provide legal consultation on the applicability of the State law.

The State of California's Unclaimed Property Law, Code of Civil Procedure, Article 6, Section 1576, also states that any person who "willfully" fails to render any report will be fined but not more than two thousand dollars (\$2,000.00). The auditors' claim that the Authority willfully or intentionally failed to comply with this law is unsubstantiated.

## **PROCUREMENT PRACTICES**

### **SFHA RESPONSE: THE SFHA CONDUCTS ITS PROCUREMENT PROGRAM IN FULL COMPLIANCE WITH LAWS, REGULATIONS, AND REQUIRED PRACTICES**

The audit report reflects a serious misunderstanding of the role of contract monitors, the contract management process and other critical aspects of procurement administration. Contract monitors are common and reflect the need to provide technical control and oversight of contractor performance. These monitors provide services which are in addition to those responsibilities of the Finance Department and Materials Management Unit. In fact, HUD's own process follows this model for major contracts with the assignment of the Government Technical Reviewer (GTR) and the Government Technical Monitor (GTM). Examples cited in the audit regarding contract management by the auditors actually provide examples in which the contract monitor assisted in assuring proper control over contract expenditures. In the audit specific examples of problems are cited for which the Authority has provided adequate explanations for each (see full responses on security services, appliance contractor performance, law firm, standby asbestos consultant and appliance repairs). The auditors also provided examples where they felt the Authority did not document price quotes and the Authority has provided documentation for each of the examples cited by the auditors.



It is noted that the Authority does not maintain a list of all sole source suppliers however, there is no federal requirement for the maintenance of such a list and the auditors did not identify any cases in which sole source procurement was conducted without justification. As for contract management, the auditors indicate the Authority does not provide sufficient control over contract management and expenditures. It appears the auditors only reviewed the contract register which provides a simple and concise listing of contracts with information providing a quick reference to the contract log. The contract log is a complete folder for each contract and includes information that exceeds HUD Handbook requirements (see HUD 7510.1 and HUD 7511.1). The contract log includes copies of Commission resolutions, contract documents, change orders, purchase requisitions, accounting information, payment history, total contact amount, etc.

The SFHA has in the past three years revised and re-vamped its contract management and record keeping system, developed a comprehensive procurement policy and procedures, manual and outlined on-going improvements in the area of procurement, inventory management and contract administration. It is these improvement efforts which clearly reflect both the commitment and progress made by the SFHA but never acknowledged by the auditors.

## **COMPENSATION TO SFHA'S BOARD OF COMMISSIONERS**

### **SFHA RESPONSE: IG IGNORED HUD REGULATIONS AND FAILED TO CONSIDER CALIFORNIA STATE LAW ON PER DIEM PAYMENTS AND EXPENSES FOR COMMISSIONERS**

The payments to members of the Board of Commissioners are allowable under California State Law and HUD requirements and conform to commission practices in the City and County of San Francisco. These payments do not require HUD approval. The auditors failed to recognize the distinction in both California State Law and HUD regulations between compensation for services and per diem payments and expenses. The California Health and Safety Code - Section 34274 entitled Per Diem Payments: Expenses; states, "...a commissioner shall not be regularly employed by the Authority to which he is appointed during his tenure of office, but may receive per diem payment for attendance at not more than four meetings per month of the Authority, which shall not exceed \$50 per day, and shall receive necessary traveling and subsistence expenses incurred in the discharge of his duties."

HUD has a similar rule to the above that compensation for Board Member services are unallowable however, travel and related expenses are permitted. There is no requirement in the HUD rule which states per diem payments and expenses paid to Commissioners require HUD approval. Therefore, the Authority practices are allowable, provided for under law and are appropriate since they are consistent with local practice.

### **ADMINISTRATIVE STAFF**

**SFHA RESPONSE: HUD SETS NO STANDARDS FOR RATIOS OF ADMINISTRATIVE EMPLOYEES TO UNITS. THE SFHA'S RATIO IS APPROPRIATE FOR LOCAL NEEDS AND CONDITION, AND IS APPROVED BY HUD ANNUALLY**

HUD has no binding standards for ratios of administrative employees to units. The IG has based its findings that the SFHA is over staffed on internal HUD guidelines for HUD Field staff, not a regulation that binds the Authority. The SFHA staff-to-units ratio is appropriate for local needs and has consistently received HUD approval.

The auditors based their finding on the SFHA's operating budget, rather than actual staffing levels, which further distorts reality. Vacant positions are incorporated into the budget to provide for additional staff needs throughout the year. The inclusion of vacant positions does not require full justification at the time of budget preparation. However, filling a vacant position does require justification by the department head making the request regardless of funding source. Actual staffing levels have been on the average fifteen percent below budget for the last five years.



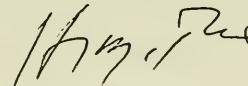
Item 14 - File 258-92-1

This item concerns a hearing to consider the cost of implementation and enforcement of the Americans with Disabilities Act (ADA).

1. The U.S. Americans with Disabilities Act of 1990 (ADA) requires local governments to provide equal employment opportunities and access to governmental "services, programs, or activities" to individuals with disabilities. Ms. Mariam Morley of the City Attorney's Office reports that the ADA requirements affecting local governments took effect on January 26, 1992, and that the City is required to make structural changes needed to comply with the access requirements of ADA prior to January 26, 1995.

2. Mr. Paul Imperiale, the Mayor's Disability Coordinator, states that the Mayor's Office has implemented a program of self-evaluation by City departments to assess the extent to which City services and facilities currently comply with the accessibility requirements of ADA. Departments have been asked to assess whether their physical facilities as well as the content of their services and programs are accessible to persons with disabilities.

3. The Budget Analyst has contacted representatives of the Mayor's Office, City Attorney's Office, Chief Administrative Officer, Department of Public Works, Municipal Railway, and the Airport to assess the City's response to ADA. Mr. Imperiale is currently reviewing the information contained in the Budget Analyst's draft report and has requested that this hearing be continued for two weeks so that Mr. Imperiale can ensure that the information is complete and accurate.



Harvey M. Rose

cc: Supervisor Kennedy	Supervisor Migden
Supervisor Achtenberg	Clerk of the Board
Supervisor Conroy	Chief Administrative Officer
President Shelley	Controller
Supervisor Alioto	Jean Mariani
Supervisor Britt	Barbara Kolesar
Supervisor Gonzalez	Ted Lakey
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Supervisor Maher	





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December 16, 1992

/// NOTICE OF CANCELLED MEETING

ECONOMIC & SOCIAL POLICY COMMITTEE

/// *Calendar*

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting  
of the Economic & Social Policy Committee for Tuesday,  
December 22, 1992 at 2:00 p.m., has been cancelled.  
///

*John L. Taylor*  
John L. Taylor  
Clerk of the Board  
/

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Public Hearing Notice

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January 6, 1993

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NOTICE OF CANCELLED MEETING

ECONOMIC & SOCIAL POLICY COMMITTEE

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NOTICE IS HEREBY GIVEN that the regularly scheduled meeting  
of the Economic & Social Policy Committee for Tuesday,  
January 12, 1993 at 2:00 p.m., has been cancelled.

John L. Taylor

Clerk of the Board

POSTED: January 6, 1993

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